

Bill No. SB 304

Barcode 695104

Proposed Committee Substitute by the Committee on Banking and  
Insurance

1                               A bill to be entitled  
2           An act relating to financial entities and  
3           transactions; amending s. 494.0011, F.S.;  
4           authorizing the Financial Services Commission  
5           to require electronic submission of forms,  
6           documents, or fees; providing for accommodating  
7           a technological or financial hardship;  
8           authorizing the commission to adopt rules  
9           relating to obtaining such an accommodation;  
10          amending s. 494.0016, F.S.; authorizing the  
11          commission to prescribe requirements for  
12          destroying books, accounts, records, and  
13          documents; authorizing the commission to  
14          recognize alternative statutes of limitation  
15          for such destruction; providing for procedures;  
16          amending s. 494.0029, F.S.; specifying criteria  
17          for receipt of certain applications; specifying  
18          that certain permits are not transferable or  
19          assignable; amending s. 494.00295, F.S.;  
20          revising provisions to specify continuing  
21          education for certain professions; amending s.  
22          494.003, F.S.; clarifying application of an  
23          exemption from application of specified  
24          mortgage broker licensure requirements to  
25          certain entities; amending s. 494.0031, F.S.;  
26          requiring licensure of mortgage brokerage  
27          businesses; specifying criteria for receipt of  
28          applications; authorizing the commission or the  
29          Office of Financial Regulation to require  
30          specified information from certain applicants;  
31          revising certain fingerprinting requirements;

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1 authorizing the commission to prescribe fees  
 2 and procedures for processing fingerprints;  
 3 authorizing the office to contract for  
 4 fingerprinting services; specifying that  
 5 certain licenses are not transferable or  
 6 assignable; amending s. 494.0033, F.S.;  
 7 clarifying requirements for mortgage broker  
 8 licensure; authorizing the commission to waive  
 9 certain examination requirements under  
 10 specified circumstances; authorizing the  
 11 commission to prescribe additional testing  
 12 fees; revising fingerprinting requirements;  
 13 authorizing the commission to prescribe fees  
 14 and procedures for processing fingerprints;  
 15 authorizing the office to contract for certain  
 16 fingerprinting services; specifying criteria  
 17 for receipt of applications; deleting  
 18 provisions relating to cancellation and  
 19 reinstatement of licenses; amending s.  
 20 494.0034, F.S.; clarifying the commission's  
 21 authorization to prescribe license renewal  
 22 forms; amending s. 494.0036, F.S.; clarifying  
 23 provisions relating to issuance of licenses to  
 24 mortgage brokerage business branch offices;  
 25 specifying criteria for receipt of certain  
 26 applications; amending s. 494.0041, F.S.;  
 27 specifying an additional ground for  
 28 disciplinary action; amending s. 494.006, F.S.;  
 29 clarifying the application of an exemption from  
 30 mortgage lender licensure requirements to  
 31 certain entities; amending s. 494.0061, F.S.;

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1 requiring licensure of mortgage lenders;  
 2 specifying criteria for receipt of  
 3 applications; revising fingerprinting  
 4 requirements; authorizing the commission to  
 5 prescribe fees and procedures for processing  
 6 fingerprints; authorizing the office to  
 7 contract for certain fingerprinting services;  
 8 deleting certain provisions relating to  
 9 cancellation and reinstatement of licenses;  
 10 authorizing the commission to waive specified  
 11 examination requirements under certain  
 12 circumstances; authorizing the commission to  
 13 prescribe additional testing fees; amending s.  
 14 494.0062, F.S.; requiring licensure of  
 15 correspondent mortgage lenders; specifying  
 16 criteria for receipt of applications;  
 17 authorizing the office to require applicants to  
 18 provide certain information; revising  
 19 fingerprinting requirements; authorizing the  
 20 commission to prescribe fees and procedures for  
 21 processing fingerprints; authorizing the office  
 22 to contract for certain fingerprinting  
 23 services; deleting certain provisions relating  
 24 to cancellation and reinstatement of licenses;  
 25 authorizing the commission to waive specified  
 26 examination requirements under certain  
 27 circumstances; authorizing the commission to  
 28 prescribe additional testing fees; requiring  
 29 notice of a change in principal  
 30 representatives; providing educational  
 31 requirements for principal representatives;

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1 amending s. 494.0064, F.S.; clarifying a  
 2 reference to professional continuing education  
 3 for certain licensees; amending s. 494.0065,  
 4 F.S.; specifying criteria for receipt of  
 5 applications; specifying education and testing  
 6 requirements for certain principal  
 7 representatives and for certain applications or  
 8 transfer applications; authorizing the  
 9 commission to waive specified examination  
 10 requirements under certain circumstances;  
 11 authorizing the commission to prescribe  
 12 additional testing fees; increasing a license  
 13 transfer fee; revising fingerprinting  
 14 requirements; authorizing the commission to  
 15 prescribe fees and procedures for processing  
 16 fingerprints; authorizing the office to  
 17 contract for certain fingerprinting services;  
 18 requiring mortgage lenders to designate a  
 19 principal representative; providing criteria  
 20 and requirements; requiring notice of a change  
 21 in principal representatives; amending s.  
 22 494.0066, F.S.; clarifying licensure  
 23 requirements for branch offices; amending s.  
 24 494.0067, F.S.; clarifying reference to  
 25 professional continuing education requirements;  
 26 amending s. 494.0072, F.S.; providing an  
 27 additional ground for disciplinary action;  
 28 amending s. 494.00721, F.S.; correcting  
 29 cross-references; amending s. 516.03, F.S.;  
 30 specifying criteria for receipt of certain  
 31 applications; providing that specified fees are

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1 nonrefundable; authorizing the commission to  
2 require electronic submission of forms,  
3 documents, or fees; providing for accommodating  
4 a technological or financial hardship;  
5 authorizing the commission to make rules  
6 relating to obtaining such an accommodation;  
7 amending s. 516.05, F.S.; deleting provisions  
8 relating to fees for licenses that have been  
9 denied; amending s. 516.07, F.S.; providing an  
10 additional ground for disciplinary action;  
11 amending s. 516.12, F.S.; authorizing the  
12 commission to prescribe minimum information  
13 that must be shown in a licensee's books,  
14 accounts, records, and documents; authorizing  
15 the commission to prescribe requirements for  
16 destroying books, accounts, records, and  
17 documents; authorizing the commission to  
18 recognize alternative statutes of limitation  
19 for such destruction; providing for procedures;  
20 amending s. 517.061, F.S.; revising provisions  
21 related to exempt transactions; amending ss.  
22 517.051 and 517.081, F.S.; revising standards  
23 for accounting principles to be used in  
24 preparing certain financial statements;  
25 amending s. 517.12, F.S.; revising provisions  
26 for taking and submitting fingerprints of  
27 dealers, associated persons, and similarly  
28 situated persons; revising provisions relating  
29 to expiration and renewal of registration of  
30 such persons; providing an exemption from  
31 registration requirements for a Canadian dealer

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1 and an associated person who represents a  
2 Canadian dealer, under certain conditions;  
3 providing for notice filing by a Canadian  
4 dealer under certain conditions; authorizing  
5 the Office of Financial Regulation of the  
6 Financial Services Commission to issue a permit  
7 to evidence the effectiveness of a notice  
8 filing for a Canadian dealer; providing for the  
9 renewal of a notice filing by a Canadian  
10 dealer; providing for reinstatement of a notice  
11 filing; providing obligations for a Canadian  
12 dealer who has given notice of filing;  
13 providing obligations for an associated person  
14 representing a Canadian dealer who has given  
15 notice of filing; providing for the termination  
16 of a notice of filing; providing for the  
17 collection of fees; amending s. 517.131, F.S.;  
18 revising conditions under which recovery can be  
19 made from the Securities Guaranty Fund;  
20 amending s. 517.141, F.S.; prescribing  
21 circumstances under which a claimant must  
22 reimburse the fund; providing for rulemaking;  
23 amending s. 517.161, F.S.; providing an  
24 additional ground for revocation, restriction,  
25 or suspension of a registration; amending ss.  
26 520.03, 520.32, 520.52, and 520.63, F.S.;  
27 specifying criteria for receipt of certain  
28 applications; providing that certain fees are  
29 nonrefundable; amending s. 520.994, F.S.;  
30 authorizing the commission to require  
31 electronic submission of forms, documents, or

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1 fees; providing for accommodating a  
2 technological or financial hardship; providing  
3 for rulemaking; amending s. 520.995, F.S.;  
4 providing an additional ground for disciplinary  
5 action; amending ss. 520.997 and 537.009, F.S.;  
6 authorizing the commission to prescribe certain  
7 minimum information that must be shown in a  
8 licensee's books, accounts, records, and  
9 documents; authorizing the commission to  
10 prescribe requirements for destroying books,  
11 accounts, records, and documents; authorizing  
12 the commission to recognize alternative  
13 statutes of limitation for such destruction;  
14 providing for procedures; amending ss. 560.105  
15 and 560.118, F.S.; authorizing the commission  
16 to require electronic submission of forms,  
17 documents, or fees; providing for accommodating  
18 a technological or financial hardship; amending  
19 s. 560.114, F.S.; providing an additional  
20 ground for disciplinary action; amending s.  
21 560.121, F.S.; authorizing the commission to  
22 prescribe certain minimum information that must  
23 be shown in a licensee's books, accounts,  
24 records, and documents; authorizing the  
25 commission to prescribe requirements for  
26 destroying books, accounts, records, and  
27 documents; authorizing the commission to  
28 recognize alternative statutes of limitation  
29 for such destruction; providing for procedures;  
30 decreasing the required time period for the  
31 office to retain certain reports, records,

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1 applications, and related information; amending  
2 s. 560.126, F.S.; requiring notice of changes  
3 in information contained in a registration  
4 application; amending s. 560.205, F.S.;  
5 revising fingerprinting requirements;  
6 authorizing the commission to prescribe fees  
7 and procedures for processing fingerprints;  
8 authorizing the office to contract for certain  
9 fingerprinting services; authorizing the  
10 commission to establish procedures for  
11 depositing fees and filing documents  
12 electronically; deleting a requirement that an  
13 applicant provide a list of certain vendors;  
14 requiring the reporting of certain changes of  
15 registration by written amendment; amending s.  
16 560.207, F.S.; authorizing the commission to  
17 establish procedures for depositing fees and  
18 filing documents electronically; revising  
19 procedures for renewing a registration;  
20 providing that specified fees are  
21 nonrefundable; providing conditions to the  
22 reinstatement of a registration; amending s.  
23 560.210, F.S.; revising permissible investment  
24 requirements for certain registrants; amending  
25 ss. 560.211 and 560.310, F.S.; requiring notice  
26 to the office of the location of certain  
27 amended records; amending ss. 560.305 and  
28 560.308, F.S.; revising procedures for renewing  
29 a registration; providing that specified fees  
30 are nonrefundable; providing conditions to the  
31 reinstatement of a registration; authorizing

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1 the commission to establish procedures for  
2 depositing fees and filing documents  
3 electronically; amending s. 560.306, F.S.;  
4 revising certain fingerprinting requirements;  
5 authorizing the commission to prescribe fees  
6 and procedures for processing fingerprints;  
7 authorizing the office to contract for certain  
8 fingerprinting services; requiring the  
9 reporting of certain changes of registration by  
10 written amendment; specifying in general that  
11 accounting principles are those generally  
12 accepted in the United States; specifying  
13 commission authority by rules; amending s.  
14 560.403, F.S.; revising requirements for giving  
15 notice of intent in connection with the renewal  
16 of registration; providing that specified fees  
17 are nonrefundable; providing conditions to the  
18 reinstatement of a notice of intent; providing  
19 an effective date.

20  
21 Be It Enacted by the Legislature of the State of Florida:

22  
23 Section 1. Subsection (2) of section 494.0011, Florida  
24 Statutes, is amended, and subsection (6) is added to that  
25 section, to read:

26 494.0011 Powers and duties of the commission and  
27 office.--

28 (2) The commission may ~~has authority to~~ adopt rules  
29 pursuant to ss. 120.536(1) and 120.54 to implement ss.  
30 494.001-494.0077. The commission may adopt rules that require  
31 ~~to allow~~ electronic submission of any forms, documents, or

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1 fees required by this act if such rules reasonably accommodate  
 2 technological or financial hardship. The commission may  
 3 prescribe by rule requirements and procedures for obtaining an  
 4 exemption due to a technological or financial hardship. The  
 5 commission may also adopt rules to accept certification of  
 6 compliance with requirements of this act in lieu of requiring  
 7 submission of documents.

8 (6) The granting or denial of a license must be in  
 9 accordance with s. 120.60.

10 Section 2. Subsection (4) of section 494.0016, Florida  
 11 Statutes, is amended to read:

12 494.0016 Books, accounts, and records; maintenance;  
 13 examinations by the office.--

14 (4) The commission may prescribe by rule the minimum  
 15 information to be shown in the books, accounts, records, and  
 16 documents of licensees so that such records will enable the  
 17 office to determine the licensee's compliance with ss.  
 18 494.001-494.0077. In addition, the commission may prescribe by  
 19 rule the requirements for destruction of books, accounts,  
 20 records, and documents retained by the licensee after  
 21 completion of the time period indicated in subsection (3).  
 22 Notwithstanding the 3-year retention period provided in  
 23 subsection (3), if the office identifies a statute of  
 24 limitations in a federal law or rule or another law or rule of  
 25 this state which statute of limitations is reasonably related  
 26 by subject matter to the administration of this chapter, the  
 27 commission may identify that statute of limitations by rule  
 28 and may prohibit the destruction of records required to be  
 29 maintained by this chapter for a period of time, established  
 30 by rule, which is reasonably related to such statute of  
 31 limitations. The commission shall prescribe by rule those

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1 documents or records that are to be preserved under the  
2 identified statute of limitations.

3 Section 3. Subsections (1) and (2) of section  
4 494.0029, Florida Statutes, are amended to read:

5 494.0029 Mortgage business schools.--

6 (1)(a) Each person, school, or institution, except  
7 accredited colleges, universities, community colleges, and  
8 career centers in this state, which offers or conducts  
9 mortgage business training as a condition precedent to  
10 licensure as a mortgage broker, mortgage ~~or~~ lender, ~~or a~~  
11 correspondent mortgage lender shall obtain a permit from the  
12 office and abide by the regulations imposed upon such person,  
13 school, or institution by this chapter and rules adopted  
14 pursuant to this chapter. The commission shall, by rule,  
15 recertify the permits annually with initial and renewal permit  
16 fees that do not exceed \$500 plus the cost of accreditation.

17 (b) An application is considered received for purposes  
18 of s. 120.60 upon receipt of a completed application form as  
19 prescribed by commission rule, a nonrefundable application fee  
20 of \$500, and any other fee prescribed by law.

21 (c) A permit issued under this section is not  
22 transferable or assignable.

23 (2) All such schools shall maintain curriculum and  
24 training materials necessary to determine the school's  
25 compliance with this chapter and rules adopted under ~~pursuant~~  
26 ~~to~~ this chapter. Any school that offers or conducts mortgage  
27 business training shall at all times maintain an operation of  
28 training, materials, and curriculum which is open to review by  
29 the office to determine compliance and competency as a  
30 mortgage business school. All such documents as prescribed by  
31 commission rule must be submitted with the initial application

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1 or recertification.

2 Section 4. Section 494.00295, Florida Statutes, is  
3 amended to read:

4 494.00295 Professional continuing education.--

5 (1) Each mortgage broker, mortgage lender, and  
6 correspondent mortgage lender must certify to the office at  
7 the time of renewal that during the 2 years prior to an  
8 application for license renewal, all mortgage brokers, ~~and the~~  
9 principal representative, and loan originators, ~~and associates~~  
10 of a mortgage lender or correspondent mortgage lender have  
11 successfully completed at least 14 hours of professional  
12 continuing education programs covering primary and subordinate  
13 mortgage financing transactions and the provisions of this  
14 chapter. Licensees shall maintain records documenting  
15 compliance with this subsection for a period of 4 years.

16 (2) Professional continuing education programs must  
17 contribute directly to the professional competency of the  
18 participants, may only be offered by permitted mortgage  
19 business schools or entities specifically exempted from  
20 permitting as mortgage business schools, and may include  
21 electronically transmitted or distance education courses.

22 (3) The commission shall adopt rules necessary to  
23 administer this section, including rules governing qualifying  
24 hours for professional continuing education programs and  
25 standards for electronically transmitted or distance education  
26 courses, including course completion requirements.

27 Section 5. Paragraphs (b) and (c) of subsection (1)  
28 and paragraph (e) of subsection (2) of section 494.003,  
29 Florida Statutes, are amended to read:

30 494.003 Exemptions.--

31 (1) None of the following persons is subject to the

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1 requirements of ss. 494.003-494.0043:

2 (b) A state or federal chartered bank, ~~bank holding~~  
 3 ~~company~~, trust company, savings and loan association, savings  
 4 bank or credit union, bank holding company regulated under the  
 5 laws of any state or the United States, or consumer finance  
 6 company licensed pursuant to chapter 516.

7 (c) A wholly owned bank holding company subsidiary  
 8 formed and regulated under the laws of any state or the United  
 9 States or a wholly owned savings and loan association holding  
 10 company subsidiary that is approved or certified by the  
 11 Department of Housing and Urban Development, the Veterans  
 12 Administration, the Government National Mortgage Association,  
 13 the Federal National Mortgage Association, or the Federal Home  
 14 Loan Mortgage Corporation.

15 (2) None of the following persons is required to be  
 16 licensed under ss. 494.003-494.0043:

17 (e) A wholly owned subsidiary of a state or federal  
 18 chartered bank or savings and loan association the sole  
 19 activity of which is to distribute the lending programs of  
 20 such state or federal chartered bank or savings and loan  
 21 association to persons who arrange loans for, or make loans  
 22 to, borrowers.

23 Section 6. Section 494.0031, Florida Statutes, is  
 24 amended to read:

25 494.0031 Licensure as a mortgage brokerage business.--

26 (1) Each person who acts as a mortgage brokerage  
 27 business must be licensed under this section unless otherwise  
 28 exempt from licensure.

29 (2)~~(1)~~ The commission or office may require each  
 30 applicant for a mortgage brokerage business license to provide  
 31 any information reasonably necessary to determine the

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1 applicant's eligibility for licensure. The office shall issue  
2 a mortgage brokerage business license to each person who:

3 (a) Has submitted a completed application form and a  
4 nonrefundable application fee of \$425, ~~and~~

5 (b) Has a qualified principal broker pursuant to s.  
6 494.0035.

7  
8 An application is considered received for purposes of s.  
9 120.60 upon receipt of a completed application form as  
10 prescribed by the commission by rule, a nonrefundable  
11 application fee of \$425, and any other fee prescribed by law.

12 ~~(3)(2)~~ The commission may require by rule that each  
13 officer, director, and ultimate equitable owner of a  
14 10-percent or greater interest in the mortgage brokerage  
15 business submit a complete set of fingerprints. A fingerprint  
16 card submitted to the office must be taken by an authorized  
17 law enforcement agency if the fingerprint card is submitted to  
18 the office in paper form ~~officer~~. In addition to the fees  
19 prescribed in s. 215.405, the commission may prescribe by rule  
20 an additional fee, not to exceed \$30, for processing the  
21 fingerprints. The commission may prescribe by rule procedures  
22 for submitting fingerprints and fees by electronic means to  
23 the office or to a third party approved by the office. In  
24 order to implement the submission and processing of  
25 fingerprints as specified by rule under this section, the  
26 office may contract with a third party or another state agency  
27 that provides fingerprinting services.

28 ~~(4)(3)~~ Notwithstanding ~~the provisions of~~ subsection  
29 ~~(2)(1)~~, it is a ground for denial of licensure if the  
30 applicant; designated principal mortgage broker; any officer,  
31 director, partner, or joint venturer of the applicant; ~~any~~

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1 ~~natural person owning a 10-percent or greater interest in the~~  
 2 ~~mortgage brokerage business;~~ or any natural person who is the  
 3 ultimate equitable owner of a 10-percent or greater interest  
 4 in the mortgage brokerage business has committed any violation  
 5 specified in ss. 494.001-494.0077 or has pending against him  
 6 or her in any jurisdiction any criminal prosecution or  
 7 administrative enforcement action that, ~~in any jurisdiction,~~  
 8 ~~which~~ involves fraud, dishonest dealing, or another act of  
 9 moral turpitude.

10 ~~(5)(4)~~ A mortgage brokerage business or branch office  
 11 license may be canceled if it was issued through mistake or  
 12 inadvertence of the office. A notice of cancellation must be  
 13 issued by the office within 90 days after the issuance of the  
 14 license. A notice of cancellation is ~~shall be~~ effective upon  
 15 receipt. The notice of cancellation must ~~shall~~ provide the  
 16 applicant with notification of the right to request a hearing  
 17 within 21 days after the applicant's receipt of the notice of  
 18 cancellation. A license must ~~shall~~ be reinstated if the  
 19 applicant can demonstrate that the requirements for obtaining  
 20 the license under ~~pursuant to~~ this chapter have been  
 21 satisfied.

22 ~~(6)(5)~~ A license issued under this part is not  
 23 transferable or assignable. ~~If an initial mortgage brokerage~~  
 24 ~~business or branch office license has been issued but the~~  
 25 ~~check upon which the license is based is returned due to~~  
 26 ~~insufficient funds, the license shall be deemed canceled. A~~  
 27 ~~license deemed canceled pursuant to this subsection shall be~~  
 28 ~~reinstated if the office receives a certified check for the~~  
 29 ~~appropriate amount within 30 days after the date the check was~~  
 30 ~~returned due to insufficient funds.~~

31 Section 7. Subsections (1), (2), and (7) of section

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1 494.0033, Florida Statutes, are amended to read:

2 494.0033 Mortgage broker's license.--

3 (1) Each natural person who acts as a mortgage broker  
4 for a mortgage brokerage business or acts as an associate for  
5 a mortgage lender or correspondent mortgage lender must be  
6 licensed under ~~pursuant to~~ this section. To act as a mortgage  
7 broker, an individual must be an associate of a mortgage  
8 brokerage business, mortgage lender, or correspondent mortgage  
9 lender. A mortgage broker is prohibited from being an  
10 associate of more than one mortgage brokerage business,   
11 mortgage lender, or correspondent mortgage lender.

12 (2) Each initial application for a mortgage broker's  
13 license must be in the form prescribed by rule of the  
14 commission. The commission may require each applicant to  
15 provide any information reasonably necessary to make a  
16 determination of the applicant's eligibility for licensure.  
17 The office shall issue an initial license to any natural  
18 person who:

19 (a) Is at least 18 years of age, +

20 (b) Has passed a written test adopted and administered  
21 by the office, or has passed an electronic test adopted and  
22 administered by the office or a third party approved by the  
23 office, which is designed to determine competency in primary  
24 and subordinate mortgage financing transactions as well as to  
25 test knowledge of ss. 494.001-494.0077 and the rules adopted  
26 pursuant thereto. The commission may prescribe by rule an  
27 additional fee not to exceed \$100 for the electronic version  
28 of the mortgage broker test. The commission may waive by rule  
29 the examination requirement for any individual who has passed  
30 a comparable test offered by a national group of state  
31 mortgage regulators or a federal governmental agency which

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1 test covers primary and subordinate mortgage financing  
2 transactions.

3 (c) Has submitted a completed application and a  
4 nonrefundable application fee of \$200. An application is  
5 considered received for purposes of s. 120.60 upon receipt of  
6 a completed application form as prescribed by the commission  
7 by rule, a nonrefundable application fee of \$200, and any  
8 other fee prescribed by law. ~~The commission may set by rule an~~  
9 ~~additional fee for a retake of the examination; and~~

10 (d) Has filed a complete set of fingerprints, ~~taken by~~  
11 ~~an authorized law enforcement officer,~~ for submission by the  
12 office to the Department of Law Enforcement or the Federal  
13 Bureau of Investigation for processing. A fingerprint card  
14 submitted to the office must be taken by an authorized law  
15 enforcement agency if the fingerprint card is submitted to the  
16 office in paper form. In addition to the fees prescribed in s.  
17 215.405, the commission may prescribe by rule additional fees,  
18 not to exceed \$30, for processing the fingerprints. The  
19 commission may prescribe by rule procedures for submitting  
20 fingerprints and fees by electronic means to the office or to  
21 a third party approved by the office. In order to implement  
22 the submission and processing of fingerprints as specified by  
23 rule under this section, the office may contract with a third  
24 party or another state agency that provides fingerprinting  
25 services.

26 ~~(7) If an initial mortgage broker license has been~~  
27 ~~issued but the check upon which the license is based is~~  
28 ~~returned due to insufficient funds, the license shall be~~  
29 ~~deemed canceled. A license deemed canceled pursuant to this~~  
30 ~~subsection shall be reinstated if the office receives a~~  
31 ~~certified check for the appropriate amount within 30 days~~

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1 ~~after the date the check was returned due to insufficient~~  
2 ~~funds.~~

3 Section 8. Subsection (2) of section 494.0034, Florida  
4 Statutes, is amended to read:

5 494.0034 Renewal of mortgage broker's license.--

6 (2) The commission shall adopt rules establishing a  
7 procedure for the biennial renewal of mortgage broker's  
8 licenses. The commission may prescribe the form of the renewal  
9 ~~application~~ and may require an update of information since the  
10 licensee's last renewal.

11 Section 9. Subsection (2) of section 494.0036, Florida  
12 Statutes, is amended to read:

13 494.0036 Mortgage brokerage business branch offices.--

14 (2) The office shall issue a mortgage brokerage  
15 business branch office license to a mortgage brokerage  
16 business licensee after the office determines that the  
17 licensee has submitted ~~upon receipt of~~ a completed branch  
18 office application in a form as prescribed by commission rule  
19 and payment of an initial nonrefundable branch office license  
20 fee of \$225. Branch office licenses must be renewed in  
21 conjunction with the renewal of the mortgage brokerage  
22 business license. The branch office license shall be issued in  
23 the name of the mortgage brokerage business that maintains the  
24 branch office. An application is considered received for  
25 purposes of s. 120.60 upon receipt of a completed application  
26 form as prescribed by the commission by rule, a nonrefundable  
27 application fee of \$225, and any other fee prescribed by law.

28 Section 10. Paragraph (s) is added to subsection (2)  
29 of section 494.0041, Florida Statutes, to read:

30 494.0041 Administrative penalties and fines; license  
31 violations.--

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1           (2) Each of the following acts constitutes a ground  
2 for which the disciplinary actions specified in subsection (1)  
3 may be taken:

4           (s) Payment to the office for a license or permit with  
5 a check or electronic transmission of funds which is  
6 dishonored by the applicant's or licensee's financial  
7 institutions.

8           Section 11. Paragraphs (a) and (c) of subsection (1)  
9 and paragraph (a) of subsection (2) of section 494.006,  
10 Florida Statutes, are amended to read:

11           494.006 Exemptions.--

12           (1) None of the following persons are subject to the  
13 requirements of ss. 494.006-494.0077 in order to act as a  
14 mortgage lender or correspondent mortgage lender:

15           (a) A state or federal chartered bank, a bank holding  
16 company, trust company, a savings and loan association, a  
17 savings bank or credit union, a bank holding company regulated  
18 under the laws of any state or the United States, or an  
19 insurance company if the insurance company is duly licensed in  
20 this state.

21           (c) A wholly owned bank holding company subsidiary  
22 formed and regulated under the laws of any state or the United  
23 States or a wholly owned savings and loan association holding  
24 company subsidiary that is approved or certified by the  
25 Department of Housing and Urban Development, the Veterans  
26 Administration, the Government National Mortgage Association,  
27 the Federal National Mortgage Association, or the Federal Home  
28 Loan Mortgage Corporation.

29           (2)(a) A natural person employed by a mortgage lender  
30 or correspondent mortgage lender licensed under ss.

31 494.001-494.0077 is exempt from the licensure requirements of

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1 ss. 494.001-494.0077 when acting within the scope of  
2 employment with the licensee.

3 Section 12. Section 494.0061, Florida Statutes, is  
4 amended to read:

5 494.0061 Mortgage lender's license requirements.--

6 (1) Each person who acts as a mortgage lender must be  
7 licensed under this section unless otherwise exempt from  
8 licensure.

9 (2)(1) The commission or office may require each  
10 applicant for a mortgage lender license to provide any  
11 information reasonably necessary to make a determination of  
12 the applicant's eligibility for licensure. The office shall  
13 issue an initial mortgage lender license to any person that  
14 submits:

15 (a) A completed application form.+  
16 (b) A nonrefundable application fee of \$575.+  
17 (c) Audited financial statements, which documents  
18 disclose that the applicant has a bona fide and verifiable net  
19 worth, pursuant to United States generally accepted accounting  
20 principles, of at least \$250,000, which must be continuously  
21 maintained as a condition of licensure.+

22 (d) A surety bond in the amount of \$10,000, payable to  
23 the state and conditioned upon compliance with ss.  
24 494.001-494.0077, which inures to the office and which must be  
25 continuously maintained thereafter in full force.+

26 (e) Documentation that the applicant is duly  
27 incorporated, registered, or otherwise formed as a general  
28 partnership, limited partnership, limited liability company,  
29 or other lawful entity under the laws of this state or another  
30 state of the United States.+ ~~and~~

31 ~~(f) For applications submitted after October 1, 2001,~~

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1 Proof that the applicant's principal representative has  
2 completed 24 hours of classroom instruction in primary and  
3 subordinate financing transactions and in the provisions of  
4 this chapter and rules adopted under this chapter. This  
5 requirement shall be satisfied if the principal representative  
6 has continuously served in the capacity of a principal  
7 representative for a licensed entity under this chapter for at  
8 least 1 year and has not had a lapse in designation as a  
9 principal representative of more than 2 years prior to the  
10 date of the submission of the application or amendment in the  
11 case of a change in the principal representative.

12  
13 An application is considered received for purposes of s.  
14 120.60 upon receipt of a completed application form as  
15 prescribed by the commission by rule, a nonrefundable  
16 application fee of \$575, and any other fee prescribed by law.

17 (3)(2) Notwithstanding ~~the provisions~~ of subsection  
18 ~~(2)(1)~~, it is a ground for denial of licensure if the  
19 applicant, any principal officer, ~~or director, partner, or~~  
20 joint venturer of the applicant, or any natural person owning  
21 a 10-percent or greater interest in the applicant, or any  
22 natural person who is the ultimate equitable owner of a  
23 10-percent or greater interest in the applicant has committed  
24 any violation specified in s. 494.0072, or has pending against  
25 her or him any criminal prosecution or administrative  
26 enforcement action, in any jurisdiction, which involves fraud,  
27 dishonest dealing, or any act of moral turpitude.

28 (4)(3) Each initial application for a mortgage  
29 lender's license must be in a form prescribed by the  
30 commission. ~~The commission or office may require each~~  
31 ~~applicant to provide any information reasonably necessary to~~

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1 ~~make a determination of the applicant's eligibility for~~  
 2 ~~licensure.~~ The commission or office may require that each  
 3 officer, director, and ultimate equitable owner of a  
 4 10-percent or greater interest in the applicant submit a  
 5 complete set of fingerprints. A fingerprint card submitted to  
 6 the office must be taken by an authorized law enforcement  
 7 agency if the fingerprint card is submitted to the office in  
 8 paper form officer. In addition to the fees prescribed in s.  
 9 215.405, the commission may prescribe by rule an additional  
 10 fee, not to exceed \$30, for processing the fingerprints. The  
 11 commission may prescribe by rule procedures for submitting  
 12 fingerprints and fees by electronic means to the office or to  
 13 a third party approved by the office. In order to implement  
 14 the submission and processing of fingerprints as specified by  
 15 rule under this section, the office may contract with a third  
 16 party or another state agency that provides fingerprinting  
 17 services.

18 (5)(4) A person required to be licensed under ss.  
 19 494.006-494.0077, or an agent or employee thereof, is deemed  
 20 to have consented to the venue of courts of competent  
 21 jurisdiction in this state regarding any matter within the  
 22 authority of ss. 494.001-494.0077 regardless of where an act  
 23 or violation was committed.

24 (6)(5) A license issued in accordance with ss.  
 25 494.006-494.0077 is not transferable or assignable.

26 (7)(6) A mortgage lender or branch office license may  
 27 be canceled if it was issued through mistake or inadvertence  
 28 of the office. A notice of cancellation must be issued by the  
 29 office within 90 days after the issuance of the license. A  
 30 notice of cancellation shall be effective upon receipt. The  
 31 notice of cancellation shall provide the applicant with

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1 notification of the right to request a hearing within 21 days  
2 after the applicant's receipt of the notice of cancellation. A  
3 license shall be reinstated if the applicant can demonstrate  
4 that the requirements for obtaining the license under ~~pursuant~~  
5 ~~to~~ this chapter have been satisfied.

6 ~~(7) If an initial mortgage lender or branch office~~  
7 ~~license has been issued but the check upon which the license~~  
8 ~~is based is returned due to insufficient funds, the license~~  
9 ~~shall be deemed canceled. A license deemed canceled pursuant~~  
10 ~~to this subsection shall be reinstated if the office receives~~  
11 ~~a certified check for the appropriate amount within 30 days~~  
12 ~~after the date the check was returned due to insufficient~~  
13 ~~funds.~~

14 (8) Each lender, regardless of the number of branches  
15 it operates, shall designate a principal representative who  
16 exercises control of the licensee's business and shall  
17 maintain a form prescribed by the commission designating the  
18 principal representative. If the form is not accurately  
19 maintained, the business is considered to be operated by each  
20 officer, director, or equitable owner of a 10-percent or  
21 greater interest in the business.

22 (9) ~~After October 1, 2001,~~ An applicant's principal  
23 representative must pass a written test prescribed by the  
24 commission and administered by the office, or must pass an  
25 electronic test prescribed by the commission and administered  
26 by the office or a third party approved by the office, which  
27 covers primary and subordinate mortgage financing transactions  
28 and the provisions of this chapter and rules adopted under  
29 this chapter. The commission may set by rule a fee not to  
30 exceed \$100 for the electronic version of the mortgage broker  
31 test. The commission may waive by rule the examination

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1 requirement for any individual who has passed a comparable  
2 test offered by a national group of state mortgage regulators  
3 or a federal governmental agency which test covers primary and  
4 subordinate mortgage financing transactions. This requirement  
5 shall be satisfied if the principal representative has  
6 continuously served in the capacity of a principal  
7 representative for a licensed entity under this chapter for at  
8 least 1 year and has not had a lapse in designation as a  
9 principal representative of more than 2 years prior to the  
10 date of the submission of the application or amendment in the  
11 case of a change in the principal representative.

12       (10) A lender shall notify the office of any change in  
13 the designation of its principal representative within 30  
14 days. A new principal representative shall satisfy ~~the name~~  
15 ~~and address of any new principal representative and shall~~  
16 ~~document that the person has completed~~ the educational and  
17 testing requirements of this section within 90 days after  
18 being designated as ~~upon~~ the designation of a new principal  
19 representative. This requirement shall be satisfied if the  
20 principal representative has continuously served in the  
21 capacity of a principal representative for a licensed entity  
22 under this chapter for at least 1 year and has not had a lapse  
23 in designation as a principal representative of more than 2  
24 years prior to the date of the submission of the application  
25 or amendment in the case of a change in the principal  
26 representative.

27       Section 13. Section 494.0062, Florida Statutes, is  
28 amended to read:

29       494.0062 Correspondent mortgage lender's license  
30 requirements.--

31       (1) Each person who acts as a correspondent mortgage

1 lender must be licensed under this section unless otherwise  
2 exempt from licensure.

3 (2)(1) The office may require each applicant to  
4 provide any information reasonably necessary to determine the  
5 applicant's eligibility for licensure. The office shall issue  
6 an initial correspondent mortgage lender license to any person  
7 who submits:

8 (a) A completed application form;

9 (b) A nonrefundable application fee of \$500;

10 (c) Audited financial statements that, which document  
11 that the applicant application has a bona fide and verifiable  
12 net worth, pursuant to United States generally accepted  
13 accounting principles, of \$25,000 or more, which must be  
14 continuously maintained as a condition of licensure;

15 (d) A surety bond in the amount of \$10,000, payable to  
16 the State of Florida and conditioned upon compliance with ss.  
17 494.001-494.0077, which inures to the office and which must be  
18 continuously maintained, thereafter, in full force;

19 (e) Documentation that the applicant is duly  
20 incorporated, registered, or otherwise formed as a general  
21 partnership, limited partnership, limited liability company,  
22 or other lawful entity under the laws of this state or another  
23 state of the United States; and

24 (f) ~~For applications filed after October 1, 2001,~~  
25 Proof that the applicant's principal representative has  
26 completed 24 hours of classroom instruction in primary and  
27 subordinate financing transactions and in the provisions of  
28 this chapter and rules enacted under this chapter. This  
29 requirement shall be satisfied if the principal representative  
30 has continuously served in the capacity of a principal  
31 representative for a licensed entity under this chapter for at

1 least 1 year and has not had a lapse in designation as a  
2 principal representative of more than 2 years prior to the  
3 date of the submission of the application or amendment in the  
4 case of a change in the principal representative.

5  
6 An application is considered received for purposes of s.  
7 120.60 upon receipt of a completed application form as  
8 prescribed by the commission by rule, a nonrefundable  
9 application fee of \$500, and any other fee prescribed by law.

10 (3)(2) Notwithstanding ~~the provisions of subsection~~  
11 ~~(2)(1)~~, it is a ground for denial of licensure if the  
12 applicant, any principal officer or director of the applicant,  
13 or any natural person who is the ultimate equitable owner of a  
14 10-percent or greater interest in the applicant has committed  
15 any violation specified in s. 494.0072, or has pending against  
16 her or him any criminal prosecution or administrative  
17 enforcement action, in any jurisdiction, which involves fraud,  
18 dishonest dealing, or any act of moral turpitude.

19 (4)(3) Each initial application for a correspondent  
20 mortgage lender's license must be in a form prescribed by the  
21 commission. ~~The commission or office may require each~~  
22 ~~applicant to provide any information reasonably necessary to~~  
23 ~~make a determination of the applicant's eligibility for~~  
24 ~~licensure.~~ The commission or office may require by rule that  
25 each officer, director, and ultimate equitable owner of a  
26 10-percent or greater interest submit a complete set of  
27 fingerprints. A fingerprint card submitted to the office must  
28 be taken by an authorized law enforcement agency if the  
29 fingerprint card is submitted to the office in paper form  
30 officer. In addition to the fees prescribed in s. 215.405, the  
31 commission may prescribe by rule an additional fee, not to

1 exceed \$30, for processing the fingerprints. The commission  
 2 may prescribe by rule procedures for submitting fingerprints  
 3 and fees by electronic means to the office or to a third party  
 4 approved by the office. In order to implement the submission  
 5 and processing of fingerprints as specified by rule under this  
 6 section, the office may contract with a third party or another  
 7 state agency that provides fingerprinting services.

8 (5)(4) Each license is valid for the remainder of the  
 9 biennium in which the license is issued.

10 (6)(5) A person licensed as a correspondent mortgage  
 11 lender may make mortgage loans, but may not service a mortgage  
 12 loan for more than 4 months after the date the mortgage loan  
 13 was made or acquired by the correspondent mortgage lender.

14 (7)(6) A licensee under ss. 494.006-494.0077, or an  
 15 agent or employee thereof, is deemed to have consented to the  
 16 venue of courts of competent jurisdiction in this state  
 17 regarding any matter within the authority of ss.  
 18 494.001-494.0077 regardless of where an act or violation was  
 19 committed.

20 (8)(7) A correspondent mortgage lender is subject to  
 21 the same requirements and restrictions as a licensed mortgage  
 22 lender unless otherwise provided in this section.

23 (9)(8) A license issued under this section is not  
 24 transferable or assignable.

25 (10)(9) A correspondent mortgage lender or branch  
 26 office license may be canceled if it was issued through  
 27 mistake or inadvertence of the office. A notice of  
 28 cancellation must be issued by the office within 90 days after  
 29 the issuance of the license. A notice of cancellation shall be  
 30 effective upon receipt. The notice of cancellation shall  
 31 provide the applicant with notification of the right to

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1 request a hearing within 21 days after the applicant's receipt  
2 of the notice of cancellation. A license shall be reinstated  
3 if the applicant can demonstrate that the requirements for  
4 obtaining the license pursuant to this chapter have been  
5 satisfied.

6 ~~(10) If an initial correspondent mortgage lender or~~  
7 ~~branch office license has been issued but the check upon which~~  
8 ~~the license is based is returned due to insufficient funds,~~  
9 ~~the license shall be deemed canceled. A license deemed~~  
10 ~~canceled pursuant to this subsection shall be reinstated if~~  
11 ~~the office receives a certified check for the appropriate~~  
12 ~~amount within 30 days after the date the check was returned~~  
13 ~~due to insufficient funds.~~

14 (11) Each correspondent lender shall designate a  
15 principal representative who exercises control over the  
16 business and shall maintain a form prescribed by the  
17 commission designating the principal representative. If the  
18 form is not accurately maintained, the business is considered  
19 to be operated by each officer, director, or equitable owner  
20 of a 10-percent or greater interest in the business.

21 (12) ~~After October 1, 2001,~~ An applicant's principal  
22 representative must pass a written test prescribed by the  
23 commission and administered by the office or a third party  
24 approved by the office which test covers primary and  
25 subordinate mortgage financing transactions and the provisions  
26 of this chapter and rules adopted under this chapter. The  
27 commission may waive by rule the examination requirement for  
28 any individual who has passed a comparable test offered by a  
29 national group of state mortgage regulators or a federal  
30 governmental agency which test covers primary and subordinate  
31 mortgage financing transactions. The commission may set by

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1 rule a fee not to exceed \$100 for taking the examination. This  
2 requirement shall be satisfied if the principal representative  
3 has continuously served in the capacity of a principal  
4 representative for a licensed entity under this chapter for at  
5 least 1 year and has not had a lapse in designation as a  
6 principal representative of more than 2 years prior to the  
7 date of the submission of the application or amendment in the  
8 case of a change in the principal representative.

9 (13) A correspondent lender shall notify the office of  
10 any change in the designation of its principal representative  
11 within 30 days. A new principal representative shall satisfy  
12 the name and address of any new principal representative and  
13 shall document that such person has completed the educational  
14 and testing requirements of this section within 90 days after  
15 being designated as upon the lender's designation of a new  
16 principal representative. This requirement shall be satisfied  
17 if the principal representative has continuously served in the  
18 capacity of a principal representative for a licensed entity  
19 under this chapter for at least 1 year and has not had a lapse  
20 in designation as a principal representative of more than 2  
21 years prior to the date of the submission of the application  
22 or amendment in the case of a change in the principal  
23 representative.

24 Section 14. Paragraph (b) of subsection (1) of section  
25 494.0064, Florida Statutes, is amended to read:

26 494.0064 Renewal of mortgage lender's license; branch  
27 office license renewal.--

28 (1)

29 (b) A licensee shall also submit, as part of the  
30 renewal form, certification that during the preceding 2 years  
31 the licensee's principal representative and, loan originators,

1 ~~and associates~~ have completed the professional continuing  
 2 education requirements of s. 494.00295.

3 Section 15. Section 494.0065, Florida Statutes, is  
 4 amended to read:

5 494.0065 Saving clause.--

6 (1)(a) Any person in good standing who holds an active  
 7 registration pursuant to former s. 494.039 or license pursuant  
 8 to former s. 521.205, or any person who acted solely as a  
 9 mortgage servicer on September 30, 1991, is eligible to apply  
 10 to the office for a mortgage lender's license and is eligible  
 11 for licensure if the applicant:

12 1. For at least 12 months during the period of October  
 13 1, 1989, through September 30, 1991, has engaged in the  
 14 business of either acting as a seller or assignor of mortgage  
 15 loans or as a servicer of mortgage loans, or both;

16 2. Has documented a minimum net worth of \$25,000 in  
 17 audited financial statements; and

18 3. Has applied for licensure pursuant to this section  
 19 by January 1, 1992, and paid an application fee of \$100.

20 (b) A licensee pursuant to paragraph (a) may operate a  
 21 wholly owned subsidiary or affiliate for the purpose of  
 22 servicing accounts if the subsidiary or affiliate is  
 23 operational as of September 30, 1991. Such subsidiary or  
 24 affiliate is not required to obtain a separate license, but is  
 25 subject to all the requirements of a licensee under ss.  
 26 494.006-494.0077.

27 (2) A licensee issued a license pursuant to subsection  
 28 (1) may renew its mortgage lending license if it documents a  
 29 minimum net worth of \$25,000, according to United States  
 30 generally accepted accounting principles, which must be  
 31 continuously maintained as a condition to licensure. The

1 office shall require an audited financial statement which  
2 documents such net worth.

3 (3) The commission may prescribe by rule forms and  
4 procedures for application for licensure, and amendment and  
5 withdrawal of application for licensure, or transfer,  
6 including any existing branch offices, in accordance with  
7 subsections (4) and (5), and for renewal of licensure of  
8 licensees under this section. An application is considered  
9 received for purposes of s. 120.60 upon receipt of a completed  
10 application form as prescribed by the commission by rule, a  
11 nonrefundable application fee of \$575, and any other fee  
12 prescribed by law.

13 (4)(a) Notwithstanding ss. 494.0061(6)(5) and  
14 494.0067(3), the ultimate equitable owner, as of the effective  
15 date of this act, of a mortgage lender licensed under this  
16 section may transfer, one time, at least 50 percent of the  
17 ownership, control, or power to vote any class of equity  
18 securities of such mortgage lender, except as provided in  
19 paragraph (b). For purposes of this subsection, satisfaction  
20 of the amount of the ownership transferred may be met in  
21 multiple transactions or in a single transaction.

22 (b) A person who is an ultimate equitable owner on the  
23 effective date of this act may transfer, at any time, at least  
24 50 percent of the ownership, control, or power to vote any  
25 class of equity securities of such person to the person's  
26 spouse or child, and any such transferee may transfer, at any  
27 time, such ownership, control, or power to vote to a spouse or  
28 child of such transferee, in perpetuity.

29 (c) For any transfer application filed on or after  
30 October 1, 2005:

31 1. An applicant must provide proof that the

1 applicant's principal representative has completed 24 hours of  
2 instruction in primary and subordinate financing transactions  
3 and in the provisions of this chapter and rules adopted under  
4 this chapter. This requirement shall be satisfied if the  
5 principal representative has continuously served in the  
6 capacity of a principal representative for a licensed entity  
7 under this chapter for at least 1 year and has not had a lapse  
8 in designation as a principal representative of more than 2  
9 years prior to the date of the submission of the application  
10 or amendment in the case of a change in the principal  
11 representative.

12       2. An applicant's principal representative must pass a  
13 written test prescribed by the commission and administered by  
14 the office, or must pass an electronic test prescribed by the  
15 commission and administered by the office or a third party  
16 approved by the office which test covers primary and  
17 subordinate mortgage financing transactions and the provisions  
18 of this chapter and rules adopted under this chapter. The  
19 commission may set by rule a fee not to exceed \$100 for the  
20 electronic version of the mortgage broker test. The commission  
21 may waive by rule the examination requirement for any  
22 individual who has passed a comparable test offered by a  
23 national group of state mortgage regulators or a federal  
24 governmental agency which test covers primary and subordinate  
25 mortgage financing transactions. This requirement shall be  
26 satisfied if the principal representative has continuously  
27 served in the capacity of a principal representative for a  
28 licensed entity under this chapter for at least 1 year and has  
29 not had a lapse in designation as a principal representative  
30 of more than 2 years prior to the date of the submission of  
31 the application or amendment in the case of a change in the

1 principal representative.

2 (5) The commission or office may require each  
3 applicant for any transfer to provide any information  
4 reasonably necessary to make a determination of the  
5 applicant's eligibility for licensure. The office shall issue  
6 the transfer of licensure to any person who submits the  
7 following documentation at least 90 days prior to the  
8 anticipated transfer:

9 (a) A completed application form.

10 (b) A nonrefundable fee set by rule of the commission  
11 in the amount of ~~\$575~~~~\$500~~.

12 (c) Audited financial statements that substantiate  
13 that the applicant has a bona fide and verifiable net worth,  
14 according to United States generally accepted accounting  
15 principles, of at least \$25,000, which must be continuously  
16 maintained as a condition of licensure.

17 (d) Documentation that the applicant is incorporated,  
18 registered, or otherwise formed as a general partnership,  
19 limited partnership, limited liability company, or other  
20 lawful entity under the laws of this state or another state of  
21 the United States.

22  
23 An application is considered received for purposes of s.  
24 120.60 upon receipt of a completed application form as  
25 prescribed by the commission by rule, a nonrefundable  
26 application fee of \$575, and any other fee prescribed by law.  
27 The commission or office may require by rule that each  
28 officer, director, and ultimate equitable owner of a  
29 10-percent or greater interest in the applicant submit a  
30 complete set of fingerprints. A fingerprint card submitted to  
31 the office must be taken by an authorized law enforcement

1 agency if the fingerprint card is submitted to the office in  
 2 paper form ~~officer~~. In addition to the fees prescribed in s.  
 3 215.405, the commission may prescribe by rule an additional  
 4 fee, not to exceed \$30, for processing the fingerprints. The  
 5 commission may prescribe by rule procedures for submitting  
 6 fingerprints and fees by electronic means to the office or to  
 7 a third party approved by the office. In order to implement  
 8 the submission and processing of fingerprints as specified by  
 9 rule under this section, the office may contract with a third  
 10 party or another state agency that provides fingerprinting  
 11 services.

12       (6) Notwithstanding subsection (5), a transfer under  
 13 subsection (4) may be denied if the applicant, any principal  
 14 officer or director of the applicant, or any natural person  
 15 owning a 10-percent or greater interest in the applicant has  
 16 committed any violation specified in s. 494.0072, or has  
 17 entered a plea of nolo contendere, regardless of adjudication,  
 18 or has an action pending against the applicant in any criminal  
 19 prosecution or administrative enforcement action, in any  
 20 jurisdiction, which involves fraud, dishonest dealing, or any  
 21 act of moral turpitude.

22       (7) A license issued in accordance with this section  
 23 is not transferable or assignable except as provided in  
 24 subsection (4).

25       (8) Each person applying for a transfer of any branch  
 26 office pursuant to subsection (4) must comply with the  
 27 requirements of s. 494.0066.

28       (9) Each mortgage lender shall designate a principal  
 29 representative who exercises control over the business and  
 30 shall keep current the designation on a form prescribed by the  
 31 commission by rule designating the principal representative.

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1 If the information on the form is not current, the business is  
2 considered to be operated by each officer, director, or  
3 equitable owner of a 10-percent or greater interest in the  
4 business.

5       (10) A lender shall notify the office of any change in  
6 the designation of its principal representative within 30  
7 days. A new principal agent shall satisfy the educational and  
8 testing requirements of this section within 90 days after  
9 being designated as new principal representative. This  
10 requirement shall be satisfied if the principal representative  
11 has continuously served in the capacity of a principal  
12 representative for a licensed entity under this chapter for at  
13 least 1 year and has not had a lapse in designation as a  
14 principal representative of more than 2 years prior to the  
15 date of the submission of the application or amendment in the  
16 case of a change in the principal representative.

17           Section 16. Subsection (2) of section 494.0066,  
18 Florida Statutes, is amended to read:

19           494.0066 Branch offices.--

20           (2) The office shall issue a branch office license to  
21 a licensee licensed under s. 494.0065(1) or a transfer  
22 licensee after the office determines that the licensee has  
23 submitted ~~upon receipt of~~ a completed branch office  
24 application form as prescribed by rule by the commission and  
25 an initial nonrefundable branch office license fee of \$325.  
26 The branch office application must include the name and  
27 license number of the licensee under ss. 494.006-494.0077, the  
28 name of the licensee's employee in charge of the branch  
29 office, and the address of the branch office. The branch  
30 office license shall be issued in the name of the licensee  
31 under ss. 494.006-494.0077 and must be renewed in conjunction

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1 with the license renewal.

2 Section 17. Paragraph (a) of subsection (10) of  
3 section 494.0067, Florida Statutes, is amended to read:

4 494.0067 Requirements of licensees under ss.  
5 494.006-494.0077.--

6 (10)(a) Each licensee shall require the principal  
7 representative and all loan originators ~~or associates~~ who  
8 perform services for the licensee to complete 14 hours of  
9 professional continuing education during each biennial license  
10 period. The education shall cover primary and subordinate  
11 mortgage financing transactions and the provisions of this  
12 chapter and the rules adopted under this chapter.

13 Section 18. Paragraph (s) is added to subsection (2)  
14 of section 494.0072, Florida Statutes, to read:

15 494.0072 Administrative penalties and fines; license  
16 violations.--

17 (2) Each of the following acts constitutes a ground  
18 for which the disciplinary actions specified in subsection (1)  
19 may be taken:

20 (s) Payment to the office for a license or permit with  
21 a check or electronic transmission of funds which is  
22 dishonored by the applicant's or licensee's financial  
23 institution.

24 Section 19. Subsection (2) of section 494.00721,  
25 Florida Statutes, is amended to read:

26 494.00721 Net worth.--

27 (2) If a mortgage lender or correspondent mortgage  
28 lender fails to satisfy the net worth requirements, the  
29 mortgage lender or correspondent mortgage lender shall  
30 immediately cease taking any new mortgage loan applications.  
31 Thereafter, the mortgage lender or correspondent mortgage

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1 lender shall have up to 60 days within which to satisfy the  
2 net worth requirements. If the licensee makes the office  
3 aware, prior to an examination, that the licensee no longer  
4 meets the net worth requirements, the mortgage lender or  
5 correspondent mortgage lender shall have 120 days within which  
6 to satisfy the net worth requirements. A mortgage lender or  
7 correspondent mortgage lender shall not resume acting as a  
8 mortgage lender or correspondent mortgage lender without  
9 written authorization from the office, which authorization  
10 shall be granted if the mortgage lender or correspondent  
11 mortgage lender provides the office with documentation which  
12 satisfies the requirements of s. 494.0061(2)(1)(c), s.  
13 494.0062(2)(1)(c), or s. 494.0065(2), whichever is applicable.

14 Section 20. Section 516.03, Florida Statutes, is  
15 amended to read:

16 516.03 Application for license; fees; etc.--

17 (1) APPLICATION.--Application for a license to make  
18 loans under this chapter shall be in the form prescribed by  
19 rule of the commission, and shall contain the name, residence  
20 and business addresses of the applicant and, if the applicant  
21 is a copartnership or association, of every member thereof  
22 and, if a corporation, of each officer and director thereof,  
23 also the county and municipality with the street and number or  
24 approximate location where the business is to be conducted,  
25 and such further relevant information as the commission or  
26 office may require. At the time of making such application the  
27 applicant shall pay to the office a nonrefundable biennial  
28 license fee of \$625. Applications, except for applications to  
29 renew or reactivate a license, must also be accompanied by a  
30 nonrefundable ~~an~~ investigation fee of \$200. An application is  
31 considered received for purposes of s. 120.60 upon receipt of

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1 a completed application form as prescribed by the commission  
 2 by rule, a nonrefundable application fee of \$625, and any  
 3 other fee prescribed by law. The commission may adopt rules to  
 4 require ~~allow~~ electronic submission of any form, document, or  
 5 fee required by this act if such rules reasonably accommodate  
 6 technological or financial hardship. The commission may  
 7 prescribe by rule requirements and procedures for obtaining an  
 8 exemption due to a technological or financial hardship.

9 (2) FEES.--Fees herein provided for shall be collected  
 10 by the office and shall be turned into the State Treasury to  
 11 the credit of the regulatory trust fund under the office. The  
 12 office shall have full power to employ such examiners or  
 13 clerks to assist the office as may from time to time be deemed  
 14 necessary and fix their compensation. The commission may adopt  
 15 rules to require ~~allow~~ electronic submission of any fee  
 16 required by this section if such rules reasonably accommodate  
 17 technological or financial hardship. The commission may  
 18 prescribe by rule requirements and procedures for obtaining an  
 19 exemption due to a technological or financial hardship.

20 Section 21. Subsection (1) of section 516.05, Florida  
 21 Statutes, is amended to read:

22 516.05 License.--

23 (1) Upon the filing of an application for a license  
 24 and payment of all applicable fees, the office shall, unless  
 25 the application is to renew or reactivate an existing license,  
 26 make an investigation of the facts concerning the applicant's  
 27 proposed activities. If the office determines that a license  
 28 should be granted, it shall issue the license for a period not  
 29 to exceed 2 years. Biennial licensure periods and procedures  
 30 for renewal of licenses shall be established by the rule of  
 31 the commission. If the office determines that grounds exist

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1 under this chapter for denial of an application other than an  
2 application to renew a license, it shall deny such  
3 application, ~~return to the applicant the sum paid as a license~~  
4 ~~fee, and retain the investigation fee.~~

5 Section 22. Paragraph (p) is added to subsection (1)  
6 of section 516.07, Florida Statutes, to read:

7 516.07 Grounds for denial of license or for  
8 disciplinary action.--

9 (1) The following acts are violations of this chapter  
10 and constitute grounds for denial of an application for a  
11 license to make consumer finance loans and grounds for any of  
12 the disciplinary actions specified in subsection (2):

13 (p) Payment to the office for a license or permit with  
14 a check or electronic transmission of funds which is  
15 dishonored by the applicant's or licensee's financial  
16 institution.

17 Section 23. Subsection (3) is added to section 516.12,  
18 Florida Statutes, to read:

19 516.12 Records to be kept by licensee.--

20 (3) The commission may prescribe by rule the minimum  
21 information to be shown in the books, accounts, records, and  
22 documents of licensees for purposes of enabling the office to  
23 determine the licensee's compliance with ss. 516.001-516.36.  
24 In addition, the commission may prescribe by rule the  
25 requirements for destruction of books, accounts, records, and  
26 documents retained by the licensee after completion of the  
27 time period specified in subsection (1). Notwithstanding the  
28 2-year retention period specified in subsection (1), if the  
29 office identifies a statute of limitations in another civil or  
30 criminal state or federal law or rule which statute of  
31 limitations is reasonably related by subject matter to the

1 administration of this chapter, the commission may identify  
 2 that statute of limitations by rule and may prohibit the  
 3 destruction of records required to be maintained by this  
 4 chapter for a period of time, established by rule, which is  
 5 reasonably related to such statute of limitations. The  
 6 commission shall prescribe by rule those documents or records  
 7 that are to be preserved under the identified statute of  
 8 limitations.

9           Section 24. Subsection (9) of section 517.051, Florida  
 10 Statutes, is amended to read:

11           517.051 Exempt securities.--The exemptions provided  
 12 herein from the registration requirements of s. 517.07 are  
 13 self-executing and do not require any filing with the office  
 14 prior to claiming such exemption. Any person who claims  
 15 entitlement to any of these exemptions bears the burden of  
 16 proving such entitlement in any proceeding brought under this  
 17 chapter. The registration provisions of s. 517.07 do not apply  
 18 to any of the following securities:

19           (9) A security issued by a corporation organized and  
 20 operated exclusively for religious, educational, benevolent,  
 21 fraternal, charitable, or reformatory purposes and not for  
 22 pecuniary profit, no part of the net earnings of which  
 23 corporation inures to the benefit of any private stockholder  
 24 or individual, or any security of a fund that is excluded from  
 25 the definition of an investment company under s. 3(c)(10)(B)  
 26 of the Investment Company Act of 1940; provided that no person  
 27 shall directly or indirectly offer or sell securities under  
 28 this subsection except by an offering circular containing full  
 29 and fair disclosure, as prescribed by the rules of the  
 30 commission, of all material information, including, but not  
 31 limited to, a description of the securities offered and terms

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1 of the offering, a description of the nature of the issuer's  
2 business, a statement of the purpose of the offering and the  
3 intended application by the issuer of the proceeds thereof,  
4 and financial statements of the issuer prepared in conformance  
5 with United States generally accepted accounting principles.  
6 Section 6(c) of the Philanthropy Protection Act of 1995, Pub.  
7 L. No. 104-62, shall not preempt any provision of this  
8 chapter.

9           Section 25. Subsection (18) of section 517.061,  
10 Florida Statutes, is amended to read:

11           517.061 Exempt transactions.--The exemption for each  
12 transaction listed below is self-executing and does not  
13 require any filing with the office prior to claiming such  
14 exemption. Any person who claims entitlement to any of the  
15 exemptions bears the burden of proving such entitlement in any  
16 proceeding brought under this chapter. The registration  
17 provisions of s. 517.07 do not apply to any of the following  
18 transactions; however, such transactions are subject to the  
19 provisions of ss. 517.301, 517.311, and 517.312:

20           (18) The offer or sale of any security effected by or  
21 through a person in compliance with ~~registered pursuant to s.~~  
22 517.12(17).

23           Section 26. Paragraph (g) of subsection (3) of section  
24 517.081, Florida Statutes, is amended to read:

25           517.081 Registration procedure.--

26           (3) The office may require the applicant to submit to  
27 the office the following information concerning the issuer and  
28 such other relevant information as the office may in its  
29 judgment deem necessary to enable it to ascertain whether such  
30 securities shall be registered pursuant to the provisions of  
31 this section:

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1 (g)1. A specimen copy of the security and a copy of  
2 any circular, prospectus, advertisement, or other description  
3 of such securities.

4 2. The commission shall adopt a form for a simplified  
5 offering circular to be used solely by corporations to  
6 register, under this section, securities of the corporation  
7 that are sold in offerings in which the aggregate offering  
8 price in any consecutive 12-month period does not exceed the  
9 amount provided in s. 3(b) of the Securities Act of 1933. The  
10 following issuers shall not be eligible to submit a simplified  
11 offering circular adopted pursuant to this subparagraph:

12 a. An issuer seeking to register securities for resale  
13 by persons other than the issuer.

14 b. An issuer who is subject to any of the  
15 disqualifications described in 17 C.F.R. s. 230.262, adopted  
16 pursuant to the Securities Act of 1933, or who has been or is  
17 engaged or is about to engage in an activity that would be  
18 grounds for denial, revocation, or suspension under s.  
19 517.111. For purposes of this subparagraph, an issuer includes  
20 an issuer's director, officer, shareholder who owns at least  
21 10 percent of the shares of the issuer, promoter, or selling  
22 agent of the securities to be offered or any officer,  
23 director, or partner of such selling agent.

24 c. An issuer who is a development-stage company that  
25 either has no specific business plan or purpose or has  
26 indicated that its business plan is to merge with an  
27 unidentified company or companies.

28 d. An issuer of offerings in which the specific  
29 business or properties cannot be described.

30 e. Any issuer the office determines is ineligible if  
31 the form would not provide full and fair disclosure of

1 material information for the type of offering to be registered  
2 by the issuer.

3 f. Any corporation which has failed to provide the  
4 office the reports required for a previous offering registered  
5 pursuant to this subparagraph.

6  
7 As a condition precedent to qualifying for use of the  
8 simplified offering circular, a corporation shall agree to  
9 provide the office with an annual financial report containing  
10 a balance sheet as of the end of the issuer's fiscal year and  
11 a statement of income for such year, prepared in accordance  
12 with United States generally accepted accounting principles  
13 and accompanied by an independent accountant's report. If the  
14 issuer has more than 100 security holders at the end of a  
15 fiscal year, the financial statements must be audited. Annual  
16 financial reports must be filed with the office within 90 days  
17 after the close of the issuer's fiscal year for each of the  
18 first 5 years following the effective date of the  
19 registration.

20 Section 27. Subsections (7), (10), (11), (15), and  
21 (17) of section 517.12, Florida Statutes, are amended to read:

22 517.12 Registration of dealers, associated persons,  
23 investment advisers, and branch offices.--

24 (7) The application shall also contain such  
25 information as the commission or office may require about the  
26 applicant; any partner, officer, or director of the applicant  
27 or any person having a similar status or performing similar  
28 functions; any person directly or indirectly controlling the  
29 applicant; or any employee of a dealer or of an investment  
30 adviser rendering investment advisory services. Each  
31 applicant shall file a complete set of fingerprints. A

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1 fingerprint card submitted to the office must be taken by an  
2 authorized law enforcement agency if the fingerprint card is  
3 submitted to the office in paper form ~~officer~~. In addition to  
4 the fees prescribed in s. 215.405, the commission may  
5 prescribe by rule an additional fee, not to exceed \$30, for  
6 processing the fingerprints. The commission may prescribe by  
7 rule procedures for submitting fingerprints and fees by  
8 electronic means to the office or to a third party approved by  
9 the office. In order to implement the submission and  
10 processing of fingerprints as specified by rule under this  
11 section, the office may contract with a third party or another  
12 state agency that provides fingerprint services. Such  
13 fingerprints shall be submitted to the Department of Law  
14 Enforcement or the Federal Bureau of Investigation for state  
15 and federal processing. The commission may waive, by rule,  
16 the requirement that applicants must file a set of  
17 fingerprints or the requirement that such fingerprints must be  
18 processed by the Department of Law Enforcement or the Federal  
19 Bureau of Investigation. The commission or office may require  
20 information about any such applicant or person concerning such  
21 matters as:

22 (a) His or her full name, and any other names by which  
23 he or she may have been known, and his or her age, photograph,  
24 qualifications, and educational and business history.

25 (b) Any injunction or administrative order by a state  
26 or federal agency, national securities exchange, or national  
27 securities association involving a security or any aspect of  
28 the securities business and any injunction or administrative  
29 order by a state or federal agency regulating banking,  
30 insurance, finance, or small loan companies, real estate,  
31 mortgage brokers, or other related or similar industries,

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1 | which injunctions or administrative orders relate to such  
2 | person.

3 |       (c) His or her conviction of, or plea of nolo  
4 | contendere to, a criminal offense or his or her commission of  
5 | any acts which would be grounds for refusal of an application  
6 | under s. 517.161.

7 |       (d) The names and addresses of other persons of whom  
8 | the office may inquire as to his or her character, reputation,  
9 | and financial responsibility.

10 |       (10) An applicant for registration shall pay an  
11 | assessment fee of \$200, in the case of a dealer or investment  
12 | adviser, or \$40, in the case of an associated person. The  
13 | assessment fee of an associated person shall be reduced to  
14 | \$30, but only after the office determines, by final order,  
15 | that sufficient funds have been allocated to the Securities  
16 | Guaranty Fund pursuant to s. 517.1203 to satisfy all valid  
17 | claims filed in accordance with s. 517.1203(2) and after all  
18 | amounts payable under any service contract entered into by the  
19 | office pursuant to s. 517.1204, and all notes, bonds,  
20 | certificates of indebtedness, other obligations, or evidences  
21 | of indebtedness secured by such notes, bonds, certificates of  
22 | indebtedness, or other obligations, have been paid or  
23 | provision has been made for the payment of such amounts,  
24 | notes, bonds, certificates of indebtedness, other obligations,  
25 | or evidences of indebtedness. An associated person may not  
26 | ~~having current fingerprint cards filed with the National~~  
27 | ~~Association of Securities Dealers or a national securities~~  
28 | ~~exchange registered with the Securities and Exchange~~  
29 | ~~Commission~~ shall be assessed an additional fee to cover the  
30 | cost for said fingerprint cards to be processed by the office.  
31 | Such fee shall be determined by rule of the commission. Each

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1 dealer and each investment adviser shall pay an assessment fee  
 2 of \$100 for each office in this state, except its designated  
 3 principal office. Such fees become the revenue of the state,  
 4 except for those assessments provided for under s. 517.131(1)  
 5 until such time as the Securities Guaranty Fund satisfies the  
 6 statutory limits, and are not returnable in the event that  
 7 registration is withdrawn or not granted.

8 (11) If the office finds that the applicant is of good  
 9 repute and character and has complied with the provisions of  
 10 this chapter and the rules made pursuant hereto, it shall  
 11 register the applicant. The registration of each dealer,  
 12 investment adviser, and associated person ~~expires will expire~~  
 13 on December 31~~7~~ of the year it became effective unless the  
 14 registrant has renewed its registration on or before that  
 15 date. ~~and~~ The registration of each branch office ~~expires will~~  
 16 ~~expire~~ on March 31 or, once the National Association of  
 17 Securities Dealers develops the capacity to process branch  
 18 office registration through the Central Registration  
 19 Depository, December 31 of the year in which it became  
 20 effective unless the registrant has renewed its registration  
 21 on or before that date. The commission may establish by rule  
 22 the initial year in which branch renewals shall be processed  
 23 through the Central Registration Depository of the National  
 24 Association of Securities Dealers. The commission may  
 25 establish by rule procedures for renewing branch registrations  
 26 through the Central Registration Depository. Registration may  
 27 be renewed by furnishing such information as the commission  
 28 may require, together with payment of the fee required in  
 29 subsection (10) for dealers, investment advisers, associated  
 30 persons, or branch offices and the payment of any amount  
 31 lawfully due and owing to the office pursuant to any order of

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1 the office or pursuant to any agreement with the office. Any  
2 dealer, investment adviser, or associated person registrant  
3 who has not renewed a registration by the time the current  
4 registration expires may request reinstatement of such  
5 registration by filing with the office, on or before January  
6 31 of the year following the year of expiration, such  
7 information as may be required by the commission, together  
8 with payment of the fee required in subsection (10) for  
9 dealers, investment advisers, or associated persons and a late  
10 fee equal to the amount of such fee. Any reinstatement of  
11 registration granted by the office during the month of January  
12 shall be deemed effective retroactive to January 1 of that  
13 year.

14 (15) In lieu of filing with the office the  
15 applications specified in subsection (6), the fees required by  
16 subsection (10), and the termination notices required by  
17 subsection (12), the commission may by rule establish  
18 procedures for the deposit of such fees and documents with the  
19 Central Registration Depository or the Investment Advisor  
20 Registration Depository of the National Association of  
21 Securities Dealers, Inc., as developed under contract with the  
22 North American Securities Administrators Association, Inc.;  
23 provided, however, that such procedures shall provide the  
24 office with the information and data as required by this  
25 section.

26 (17)(a) A dealer that is located in Canada, does not  
27 have an office or other physical presence in this state, and  
28 has made a notice filing in accordance with this subsection is  
29 exempt from the registration requirements of this section and  
30 may effect transactions in securities with or for, or induce  
31 or attempt to induce the purchase or sale of any security by:

1       1. A person from Canada who is present in this state  
 2       and with whom the Canadian dealer had a bona fide  
 3       dealer-client relationship before the person entered the  
 4       United States; or

5       2. A person from Canada who is present in this state  
 6       and whose transactions are in a self-directed tax-advantaged  
 7       retirement plan in Canada of which the person is the holder or  
 8       contributor.

9       (b) A notice filing under this subsection must consist  
 10       of documents that the commission by rule requires to be filed,  
 11       together with a consent to service of process and a filing fee  
 12       of \$200. The commission may establish by rule procedures for  
 13       the deposit of fees and the filing of documents to be made by  
 14       electronic means, if such procedures provide the office with  
 15       the information and data required by this section.

16       (c) A Canadian dealer may make a notice filing under  
 17       this subsection if such dealer provides to the office:

18       1. A notice filing in the form that the commission by  
 19       rule requires;

20       2. A consent to service of process;

21       3. Evidence that the Canadian dealer is registered as  
 22       a dealer in the jurisdiction in which its main office is  
 23       located; and

24       4. Evidence that the Canadian dealer is a member of a  
 25       self-regulatory organization or stock exchange in Canada.

26       (d) The office may issue a permit to evidence the  
 27       effectiveness of a notice filing for a Canadian dealer.

28       (e) A notice filing is effective upon receipt. A  
 29       notice filing expires on December 31 of the year in which the  
 30       filing becomes effective unless the Canadian dealer has  
 31       renewed the filing on or before that date. A Canadian dealer

1 may annually renew a notice filing by furnishing to the office  
2 such information as the office requires together with a  
3 renewal fee of \$200 and the payment of any amount due and  
4 owing the office pursuant to any agreement with the office.  
5 Any Canadian dealer who has not renewed a notice filing by the  
6 time a current notice filing expires may request reinstatement  
7 of such notice filing by filing with the office, on or before  
8 January 31 of the year following the year the notice filing  
9 expires, such information as the commission requires, by rule,  
10 together with the payment of \$200 and a late fee of \$200. Any  
11 reinstatement of a notice filing granted by the office during  
12 the month of January is effective retroactively to January 1  
13 of that year.

14 (f) An associated person who represents a Canadian  
15 dealer who has made a notice filing under this subsection is  
16 exempt from the registration requirements of this section and  
17 may effect transactions in securities in this state as  
18 permitted for a dealer under paragraph (a) if such person is  
19 registered in the jurisdiction from which he or she is  
20 effecting transactions into this state.

21 (g) A Canadian dealer who has made a notice of filing  
22 under this subsection shall:

23 1. Maintain its provincial or territorial registration  
24 and its membership in a self-regulatory organization or stock  
25 exchange in good standing.

26 2. Provide the office upon request with its books and  
27 records relating to its business in this state as a dealer.

28 3. Provide the office upon request notice of each  
29 civil, criminal, or administrative action initiated against  
30 the dealer.

31 4. Disclose to its clients in this state that the

dealer and its associated persons are not subject to the full regulatory requirements under this chapter.

5. Correct any inaccurate information within 30 days after the information contained in the notice of filing becomes inaccurate for any reason.

(h) An associated person representing a Canadian dealer who has made a notice of filing under this subsection shall:

1. Maintain provincial or territorial registration in good standing.

2. Provide the office upon request with notice of each civil, criminal, or administrative action initiated against such person.

(i) A notice filing may be terminated by filing notice of such termination with the office. Unless another date is specified by the Canadian dealer, such notice is effective upon its receipt by the office.

(j) All fees collected under this subsection become the revenue of the state, except for those assessments provided for under s. 517.131(1), until the Securities Guaranty Fund has satisfied the statutory limits, and these fees are not returnable if a notice filing is withdrawn. A dealer that is located in Canada and has no office or other physical presence in this state may, provided the dealer is registered in accordance with this section, effect transactions in securities with or for, or induce or attempt to induce the purchase or sale of any security by:

1. A person from Canada who temporarily resides in this state and with whom the Canadian dealer had a bona fide dealer-client relationship before the person entered the United States; or

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1           ~~2. A person from Canada who is a resident of this~~  
2 ~~state, and whose transactions are in a self-directed tax~~  
3 ~~advantage retirement plan in Canada of which the person is the~~  
4 ~~holder or contributor.~~

5           ~~(b) An associated person who represents a Canadian~~  
6 ~~dealer registered under this section may, provided the agent~~  
7 ~~is registered in accordance with this section, effect~~  
8 ~~transactions in securities in this state as permitted for a~~  
9 ~~dealer, under subsection (a).~~

10           ~~(c) A Canadian dealer may register under this section~~  
11 ~~provided that such dealer:~~

12           ~~1. Files an application in the form required by the~~  
13 ~~jurisdiction in which the dealer has a head office.~~

14           ~~2. Files a consent to service of process.~~

15           ~~3. Is registered as a dealer in good standing in the~~  
16 ~~jurisdiction from which it is effecting transactions into this~~  
17 ~~state and files evidence of such registration with the office.~~

18           ~~4. Is a member of a self-regulatory organization or~~  
19 ~~stock exchange in Canada.~~

20           ~~(d) An associated person who represents a Canadian~~  
21 ~~dealer registered under this section in effecting transactions~~  
22 ~~in securities in this state may register under this section~~  
23 ~~provided that such person:~~

24           ~~1. Files an application in the form required by the~~  
25 ~~jurisdiction in which the dealer has its head office.~~

26           ~~2. Is registered in good standing in the jurisdiction~~  
27 ~~from which he or she is effecting transactions into this state~~  
28 ~~and files evidence of such registration with the office.~~

29           ~~(e) If the office finds that the applicant is of good~~  
30 ~~repute and character and has complied with the provisions of~~  
31 ~~this chapter, the office shall register the applicant.~~

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1       ~~(f) A Canadian dealer registered under this section~~  
2       ~~shall:~~

3               ~~1. Maintain its provincial or territorial registration~~  
4       ~~and its membership in a self-regulatory organization or stock~~  
5       ~~exchange in good standing.~~

6               ~~2. Provide the office upon request with its books and~~  
7       ~~records relating to its business in this state as a dealer.~~

8               ~~3. Provide the office notice of each civil, criminal,~~  
9       ~~or administrative action initiated against the dealer.~~

10              ~~4. Disclose to its clients in this state that the~~  
11       ~~dealer and its agents are not subject to the full regulatory~~  
12       ~~requirements under this chapter.~~

13              ~~5. Correct any inaccurate information within 30 days,~~  
14       ~~if the information contained in the application form becomes~~  
15       ~~inaccurate for any reason before or after the dealer becomes~~  
16       ~~registered.~~

17       ~~(g) An associated person of a Canadian dealer~~  
18       ~~registered under this section shall:~~

19              ~~1. Maintain provincial or territorial registration in~~  
20       ~~good standing.~~

21              ~~2. Provide the office with notice of each civil,~~  
22       ~~criminal, or administrative action initiated against such~~  
23       ~~person.~~

24              ~~3. Through the dealer, correct any inaccurate~~  
25       ~~information within 30 days, if the information contained in~~  
26       ~~the application form becomes inaccurate for any reason before~~  
27       ~~or after the associated person becomes registered.~~

28       ~~(h) Renewal applications for Canadian dealers and~~  
29       ~~associated persons under this section must be filed before~~  
30       ~~December 31 each year. Every applicant for registration or~~  
31       ~~renewal registration under this section shall pay the fee for~~

1 ~~dealers and associated persons under this chapter.~~

2           Section 28. Paragraphs (b) and (e) of subsection (3)  
3 of section 517.131, Florida Statutes, are amended, and  
4 subsection (5) is added to that section, to read:

5           517.131 Securities Guaranty Fund.--

6           (3) Any person is eligible to seek recovery from the  
7 Securities Guaranty Fund if:

8           (b) Such person has made all reasonable searches and  
9 inquiries to ascertain whether the judgment debtor possesses  
10 real or personal property or other assets subject to being  
11 sold or applied in satisfaction of the judgment, and by her or  
12 his search the person has discovered no property or assets; or  
13 she or he has discovered property and assets and has taken all  
14 necessary action and proceedings for the application thereof  
15 to the judgment, but the amount thereby realized was  
16 insufficient to satisfy the judgment. To verify compliance  
17 with such condition, the office may require such person to  
18 have a writ of execution be issued upon such judgment, ~~and~~ may  
19 ~~further~~ require a showing that no personal or real property of  
20 the judgment debtor liable to be levied upon in complete  
21 satisfaction of the judgment can be found, or may require an  
22 affidavit from the claimant setting forth the reasonable  
23 searches and inquiries undertaken and the result.

24           (e) The office waives compliance with the requirements  
25 of paragraph (a) or paragraph (b). The office may waive such  
26 compliance if the dealer, investment adviser, or associated  
27 person which is the subject of the claim filed with the office  
28 is the subject of any proceeding in which a receiver has been  
29 appointed by a court of competent jurisdiction. If the office  
30 waives such compliance, the office may, upon petition by the  
31 claimant, the debtor, or the court-appointed trustee,

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1 examiner, or receiver, distribute funds from the Securities  
2 Guaranty Fund up to the amount allowed under s. 517.141. Any  
3 waiver granted pursuant to this section shall be considered a  
4 judgment for purposes of complying with the requirements of  
5 this section and of s. 517.141.

6 (5) The commission may by rule specify the procedures  
7 for complying with subsections (2), (3), and (4), including  
8 rules for the form of submission and guidelines for the  
9 sufficiency and content of submissions of notices and claims.

10 Section 29. Subsections (2) and (5) of section  
11 517.141, Florida Statutes, are amended, and subsection (11) is  
12 added to that section, to read:

13 517.141 Payment from the fund.--

14 (2) Regardless of the number of claims or claimants  
15 involved, payments for claims shall be limited in the  
16 aggregate to \$100,000 against any one dealer, investment  
17 adviser, or associated person. If the total claims exceed the  
18 aggregate limit of \$100,000, the office shall prorate the  
19 payment based upon the ratio that the person's claim bears to  
20 the total claims filed.

21 (5) If the final judgment that ~~which~~ gave rise to the  
22 claim is overturned in any appeal or in any collateral  
23 proceeding, the claimant shall reimburse the fund all amounts  
24 paid from the fund to the claimant on the claim. If the  
25 claimant satisfies the judgment referred to in s.  
26 517.131(3)(a), the claimant shall reimburse the fund all  
27 amounts paid from the fund to the claimant on the claim. Such  
28 reimbursement shall be paid to the office within 60 days after  
29 the final resolution of the appellate or collateral  
30 proceedings or the satisfaction of judgment, with the 60-day  
31 period commencing on the date the final order or decision is

1 entered in such proceedings.

2       (11) The commission may by rule specify the procedures  
 3 for complying with this section, including rules for the form  
 4 of submission and guidelines for the sufficiency and content  
 5 of submissions of notices and claims.

6           Section 30. Subsection (1) of section 517.161, Florida  
 7 Statutes, is amended to read:

8           517.161 Revocation, denial, or suspension of  
 9 registration of dealer, investment adviser, associated person,  
 10 or branch office.--

11           (1) Registration under s. 517.12 may be denied or any  
 12 registration granted may be revoked, restricted, or suspended  
 13 by the office if the office determines that such applicant or  
 14 registrant:

15           (a) Has violated any provision of this chapter or any  
 16 rule or order made under this chapter;

17           (b) Has made a material false statement in the  
 18 application for registration;

19           (c) Has been guilty of a fraudulent act in connection  
 20 with rendering investment advice or in connection with any  
 21 sale of securities, has been or is engaged or is about to  
 22 engage in making fictitious or pretended sales or purchases of  
 23 any such securities or in any practice involving the rendering  
 24 of investment advice or the sale of securities which is  
 25 fraudulent or in violation of the law;

26           (d) Has made a misrepresentation or false statement  
 27 to, or concealed any essential or material fact from, any  
 28 person in the rendering of investment advice or the sale of a  
 29 security to such person;

30           (e) Has failed to account to persons interested for  
 31 all money and property received;

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1 (f) Has not delivered, after a reasonable time, to  
2 persons entitled thereto securities held or agreed to be  
3 delivered by the dealer, broker, or investment adviser, as and  
4 when paid for, and due to be delivered;

5 (g) Is rendering investment advice or selling or  
6 offering for sale securities through any associated person not  
7 registered in compliance with the provisions of this chapter;

8 (h) Has demonstrated unworthiness to transact the  
9 business of dealer, investment adviser, or associated person;

10 (i) Has exercised management or policy control over or  
11 owned 10 percent or more of the securities of any dealer or  
12 investment adviser that has been declared bankrupt, or had a  
13 trustee appointed under the Securities Investor Protection  
14 Act; or is, in the case of a dealer or investment adviser,  
15 insolvent;

16 (j) Has been convicted of, or has entered a plea of  
17 guilty or nolo contendere to, a crime against the laws of this  
18 state or any other state or of the United States or of any  
19 other country or government which relates to registration as a  
20 dealer, investment adviser, issuer of securities, associated  
21 person, or branch office; which relates to the application for  
22 such registration; or which involves moral turpitude or  
23 fraudulent or dishonest dealing;

24 (k) Has had a final judgment entered against her or  
25 him in a civil action upon grounds of fraud, embezzlement,  
26 misrepresentation, or deceit;

27 (l) Is of bad business repute; ~~or~~

28 (m) Has been the subject of any decision, finding,  
29 injunction, suspension, prohibition, revocation, denial,  
30 judgment, or administrative order by any court of competent  
31 jurisdiction, administrative law judge, or by any state or

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1 federal agency, national securities, commodities, or option  
 2 exchange, or national securities, commodities, or option  
 3 association, involving a violation of any federal or state  
 4 securities or commodities law or any rule or regulation  
 5 promulgated thereunder, or any rule or regulation of any  
 6 national securities, commodities, or options exchange or  
 7 national securities, commodities, or options association, or  
 8 has been the subject of any injunction or adverse  
 9 administrative order by a state or federal agency regulating  
 10 banking, insurance, finance or small loan companies, real  
 11 estate, mortgage brokers, or other related or similar  
 12 industries. For purposes of this subsection, the office may  
 13 not deny registration to any applicant who has been  
 14 continuously registered with the office for 5 years from the  
 15 entry of such decision, finding, injunction, suspension,  
 16 prohibition, revocation, denial, judgment, or administrative  
 17 order provided such decision, finding, injunction, suspension,  
 18 prohibition, revocation, denial, judgment, or administrative  
 19 order has been timely reported to the office pursuant to the  
 20 commission's rules; ~~or-~~

21 (n) Made payment to the office for a license or permit  
 22 with a check or electronic transmission of funds which is  
 23 dishonored by the applicant's or registrant's financial  
 24 institution.

25 Section 31. Subsections (2) and (3) of section 520.03,  
 26 Florida Statutes, are amended to read:

27 520.03 Licenses.--

28 (2) An application for a license under this part must  
 29 be submitted to the office in such form as the commission may  
 30 prescribe by rule. If the office determines that an  
 31 application should be granted, it shall issue the license for

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1 a period not to exceed 2 years. A nonrefundable application  
2 fee of \$175 shall accompany an initial application for the  
3 principal place of business and each application for a branch  
4 location of a retail installment seller who is required to be  
5 licensed under this chapter. An application is considered  
6 received for purposes of s. 120.60 upon receipt of a completed  
7 application form as prescribed by the commission by rule, a  
8 nonrefundable application fee of \$175, and any other fee  
9 prescribed by law.

10 (3) The nonrefundable renewal fee for a motor vehicle  
11 retail installment seller license shall be \$175. The  
12 commission shall establish by rule biennial licensure periods  
13 and procedures for renewal of licenses. A license that is not  
14 renewed by the end of the biennium established by the  
15 commission shall revert from active to inactive status. An  
16 inactive license may be reactivated within 6 months after  
17 becoming inactive upon filing a completed reactivation form,  
18 payment of the nonrefundable renewal fee, and payment of a  
19 nonrefundable reactivation fee equal to the renewal fee. A  
20 license that is not reactivated within 6 months after becoming  
21 inactive automatically expires.

22 Section 32. Subsections (2) and (3) of section 520.32,  
23 Florida Statutes, are amended to read:

24 520.32 Licenses.--

25 (2) An application for a license under this part must  
26 be submitted to the office in such form as the commission may  
27 prescribe by rule. If the office determines that an  
28 application should be granted, it shall issue the license for  
29 a period not to exceed 2 years. A nonrefundable application  
30 fee of \$175 shall accompany an initial application for the  
31 principal place of business and each application for a branch

1 location of a retail installment seller. An application is  
 2 considered received for purposes of s. 120.60 upon receipt of  
 3 a completed application form as prescribed by the commission  
 4 by rule, a nonrefundable application fee of \$175, and any  
 5 other fee prescribed by law.

6 (3) The nonrefundable renewal fee for a retail seller  
 7 license shall be \$175. Biennial licensure periods and  
 8 procedures for renewal of licenses may also be established by  
 9 the commission by rule. A license that is not renewed at the  
 10 end of the biennium established by the commission shall revert  
 11 from active to inactive status. An inactive license may be  
 12 reactivated within 6 months after becoming inactive upon  
 13 filing a completed reactivation form, payment of the  
 14 nonrefundable renewal fee, and payment of a reactivation fee  
 15 equal to the nonrefundable renewal fee. A license that is not  
 16 reactivated within 6 months after becoming inactive  
 17 automatically expires.

18 Section 33. Subsections (2) and (3) of section 520.52,  
 19 Florida Statutes, are amended to read:

20 520.52 Licensees.--

21 (2) An application for a license under this part must  
 22 be submitted to the office in such form as the commission may  
 23 prescribe by rule. If the office determines that an  
 24 application should be granted, it shall issue the license for  
 25 a period not to exceed 2 years. A nonrefundable application  
 26 fee of \$175 shall accompany an initial application for the  
 27 principal place of business and each branch location of a  
 28 sales finance company. An application is considered received  
 29 for purposes of s. 120.60 upon receipt of a completed  
 30 application form as prescribed by the commission by rule, a  
 31 nonrefundable application fee of \$175, and any other fee

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1 prescribed by law.

2           (3) The nonrefundable renewal fee for a sales finance  
3 company license shall be \$175. Biennial licensure periods and  
4 procedures for renewal of licenses may also be established by  
5 the commission by rule. A license that is not renewed at the  
6 end of the biennium established by the commission shall revert  
7 from active to inactive status. An inactive license may be  
8 reactivated within 6 months after becoming inactive upon  
9 filing a completed reactivation form, payment of the  
10 nonrefundable renewal fee, and payment of a reactivation fee  
11 equal to the nonrefundable renewal fee. A license that is not  
12 reactivated within 6 months after becoming inactive  
13 automatically expires.

14           Section 34. Subsections (2) and (3) of section 520.63,  
15 Florida Statutes, are amended to read:

16           520.63 Licensees.--

17           (2) An application for a license under this part must  
18 be submitted to the office in such form as the commission may  
19 prescribe by rule. If the office determines that an  
20 application should be granted, it shall issue the license for  
21 a period not to exceed 2 years. A nonrefundable application  
22 fee of \$175 shall accompany an initial application for the  
23 principal place of business and each application for a branch  
24 location of a home improvement finance seller. An application  
25 is considered received for purposes of s. 120.60 upon receipt  
26 of a completed application form as prescribed by the  
27 commission by rule, a nonrefundable application fee of \$175,  
28 and any other fee prescribed by law.

29           (3) The nonrefundable renewal fee for a home  
30 improvement finance license shall be \$175. Biennial licensure  
31 periods and procedures for renewal of licenses may also be

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1 established by the commission by rule. A license that is not  
2 renewed at the end of the biennium established by the  
3 commission shall automatically revert from active to inactive  
4 status. An inactive license may be reactivated within 6 months  
5 after becoming inactive upon filing a completed reactivation  
6 form, payment of the nonrefundable renewal fee, and payment of  
7 a nonrefundable reactivation fee equal to the renewal fee. A  
8 license that is not reactivated within 6 months after becoming  
9 inactive automatically expires.

10 Section 35. Subsection (5) of section 520.994, Florida  
11 Statutes, is amended to read:

12 520.994 Powers of office.--

13 (5) The office shall administer and enforce this  
14 chapter. The commission has authority to adopt rules pursuant  
15 to ss. 120.536(1) and 120.54 to implement the provisions of  
16 this chapter. The commission may adopt rules to require ~~allow~~  
17 electronic submission of any form, document, or fee required  
18 by this chapter if such rules reasonably accommodate  
19 technological or financial hardship. The commission may  
20 prescribe by rule requirements and procedures for obtaining an  
21 exemption due to a technological or financial hardship.

22 Section 36. Paragraph (k) is added to subsection (1)  
23 of section 520.995, Florida Statutes, to read:

24 520.995 Grounds for disciplinary action.--

25 (1) The following acts are violations of this chapter  
26 and constitute grounds for the disciplinary actions specified  
27 in subsection (2):

28 (k) Payment to the office for a license or permit with  
29 a check or electronic transmission of funds which is  
30 dishonored by the applicant's or licensee's financial  
31 institution.

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1           Section 37. Subsection (4) of section 520.997, Florida  
2 Statutes, is amended to read:

3           520.997 Books, accounts, and records.--

4           (4) The commission may prescribe by rule the minimum  
5 information to be shown in the books, accounts, documents, and  
6 records of licensees so that such records will enable the  
7 office to determine compliance with ~~the provisions of this~~  
8 chapter. In addition, the commission may prescribe by rule the  
9 requirements for destruction of books, accounts, records, and  
10 documents retained by the licensee after completion of the  
11 time period specified in subsection (3). Notwithstanding the  
12 2-year retention period specified in subsection (3), if the  
13 office identifies a statute of limitations in another civil or  
14 criminal state or federal law or rule which statute of  
15 limitations is reasonably related by subject matter to the  
16 administration of this chapter, the commission may identify  
17 that statute of limitations by rule and may prohibit the  
18 destruction of records required to be maintained by this  
19 chapter for a period of time, established by rule, which is  
20 reasonably related to such statute of limitations. The  
21 commission shall prescribe by rule those documents or records  
22 that are to be preserved under the identified statute of  
23 limitations.

24           Section 38. Subsection (5) of section 537.009, Florida  
25 Statutes, is amended to read:

26           537.009 Recordkeeping; reporting; safekeeping of  
27 property.--

28           (5) The commission may prescribe by rule the books,  
29 accounts, documents, and records, and the minimum information  
30 to be shown in the books, accounts, documents, and records, of  
31 licensees so that such records will enable the office to

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1 determine compliance with the provisions of this act. In  
2 addition, the commission may prescribe by rule the  
3 requirements for destruction of books, accounts, records, and  
4 documents retained by the licensee after completion of the  
5 time period specified in subsection (3). Notwithstanding the  
6 2-year retention period specified in subsection (3), if the  
7 office identifies a statute of limitations in another civil or  
8 criminal state or federal law or rule which statute of  
9 limitations is reasonably related by subject matter to the  
10 administration of this chapter, the commission may identify  
11 that statute of limitations by rule and may prohibit the  
12 destruction of records required to be maintained by this  
13 chapter for a period of time, established by rule, which is  
14 reasonably related to such statute of limitations. The  
15 commission shall prescribe by rule those documents or records  
16 that are to be preserved under the identified statute of  
17 limitations.

18           Section 39. Subsection (3) is added to section  
19 560.105, Florida Statutes, to read:

20           560.105 Supervisory powers; rulemaking.--

21           (3) The commission may adopt rules that require  
22 electronic submission of any forms, documents, or fees  
23 required by this act if such rules reasonably accommodate  
24 technological or financial hardship. The commission may  
25 prescribe by rule requirements and procedures for obtaining an  
26 exemption due to a technological or financial hardship.

27           Section 40. Paragraph (y) is added to subsection (1)  
28 of section 560.114, Florida Statutes, to read:

29           560.114 Disciplinary actions.--

30           (1) The following actions by a money transmitter or  
31 money transmitter-affiliated party are violations of the code

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1 and constitute grounds for the issuance of a cease and desist  
2 order, the issuance of a removal order, the denial of a  
3 registration application or the suspension or revocation of  
4 any registration previously issued pursuant to the code, or  
5 the taking of any other action within the authority of the  
6 office pursuant to the code:

7 (y) Payment to the office for a license or permit with  
8 a check or electronic transmission of funds which is  
9 dishonored by the applicant's or licensee's financial  
10 institution.

11 Section 41. Paragraph (b) of subsection (2) of section  
12 560.118, Florida Statutes, is amended to read:

13 560.118 Examinations, reports, and internal audits;  
14 penalty.--

15 (2)

16 (b) The commission may, by rule, require each money  
17 transmitter or authorized vendor to submit quarterly reports  
18 to the office. The commission may adopt rules that require  
19 electronic submission of any forms, documents, or fees  
20 required by this act if such rules reasonably accommodate  
21 technological or financial hardship. The commission may  
22 prescribe by rule requirements and procedures for obtaining an  
23 exemption due to a technological or financial hardship. The  
24 commission may require that each report contain a declaration  
25 by an officer, or any other responsible person authorized to  
26 make such declaration, that the report is true and correct to  
27 the best of her or his knowledge and belief. Such report must  
28 include such information as the commission by rule requires  
29 for that type of money transmitter.

30 Section 42. Subsection (2) of section 560.121, Florida  
31 Statutes, is amended to read:

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1           560.121 Records; limited restrictions upon public  
2 access.--

3           (2) The commission may prescribe by rule the minimum  
4 information that must be shown in the books, accounts,  
5 records, and documents of licensees for purposes of enabling  
6 the office to determine the licensee's compliance with ss.  
7 560.101-560.408. In addition, the commission may prescribe by  
8 rule the requirements for destruction of books, accounts,  
9 records, and documents retained by the licensee after  
10 completion of the time period specified in this subsection.  
11 Notwithstanding the 3-year retention period specified in this  
12 subsection, if the office identifies a statute of limitations  
13 in another civil or criminal state or federal law or rule  
14 which statute of limitations is reasonably related by subject  
15 matter to the administration of this chapter, the commission  
16 may identify that statute of limitations by rule and may  
17 prohibit the destruction of records required to be maintained  
18 by this chapter for a period of time, established by rule,  
19 which is reasonably related to such statute of limitations.  
20 The commission shall prescribe by rule those documents or  
21 records that are to be preserved under the identified statute  
22 of limitations. Examination reports, investigatory records,  
23 applications, and related information compiled by the office,  
24 or photographic copies thereof, shall be retained by the  
25 office for a period of at least 3 years following the date  
26 that the examination or investigation ceases to be active.  
27 Application records, and related information compiled by the  
28 office, or photographic copies thereof, shall be retained by  
29 the office for a period of at least 2 years following the date  
30 that the registration ceases to be active.

31           Section 43. Section 560.126, Florida Statutes, is

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1 amended to read:

2           560.126 Significant events; notice required.--

3           (1) Unless exempted by the office, every money  
4 transmitter must provide the office with a written notice  
5 within 30 ~~15~~ days after the occurrence or knowledge of,  
6 whichever period of time is greater, any of the following  
7 events:

8           (a)~~(1)~~ The filing of a petition under the United  
9 States Bankruptcy Code for bankruptcy or reorganization by the  
10 money transmitter.

11           (b)~~(2)~~ The commencement of any registration suspension  
12 or revocation proceeding, either administrative or judicial,  
13 or the denial of any original registration request or a  
14 registration renewal, by any state, the District of Columbia,  
15 any United States territory, or any foreign country, in which  
16 the money transmitter operates or plans to operate or has  
17 registered to operate.

18           (c)~~(3)~~ A felony indictment relating to the money  
19 transmission business involving the money transmitter or a  
20 money transmitter-affiliated party of the money transmitter.

21           (d)~~(4)~~ The felony conviction, guilty plea, or plea of  
22 nolo contendere, if the court adjudicates the nolo contendere  
23 pleader guilty, or the adjudication of guilt of a money  
24 transmitter or money transmitter-affiliated party.

25           (e)~~(5)~~ The interruption of any corporate surety bond  
26 required by the code.

27           (f)~~(6)~~ Any suspected criminal act, as defined by the  
28 commission by rule, perpetrated in this state against a money  
29 transmitter or authorized vendor.

30

31 However, a person does not incur liability ~~no liability shall~~

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1 ~~be incurred by any person~~ as a result of making a good-faith  
2 ~~good faith~~ effort to fulfill this disclosure requirement.

3 (2) If the information contained in any registration  
4 application or any amendment thereto has changed, the  
5 registrant shall, within 30 days after the change occurs, file  
6 an amendment correcting the information on forms prescribed by  
7 the commission.

8 Section 44. Section 560.205, Florida Statutes, is  
9 amended to read:

10 560.205 Qualifications of applicant for registration;  
11 contents.--

12 (1) To qualify for registration under this part, an  
13 applicant must demonstrate to the office such character and  
14 general fitness as to command the confidence of the public and  
15 warrant the belief that the registered business will be  
16 operated lawfully and fairly. The office may investigate each  
17 applicant to ascertain whether the qualifications and  
18 requirements prescribed by this part have been met. The  
19 office's investigation may include a criminal background  
20 investigation of all controlling shareholders, principals,  
21 officers, directors, members, and responsible persons of a  
22 funds transmitter and a payment instrument seller and all  
23 persons designated by a funds transmitter or payment  
24 instrument seller as an authorized vendor. Each controlling  
25 shareholder, principal, officer, director, member, and  
26 responsible person of a funds transmitter or payment  
27 instrument seller, unless the applicant is a publicly traded  
28 corporation as defined by the commission by rule, a subsidiary  
29 thereof, or a subsidiary of a bank or bank holding company  
30 organized and regulated under the laws of any state or the  
31 United States, shall file a complete set of fingerprints. A

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1 fingerprint card submitted to the office must be taken by an  
2 authorized law enforcement agency if the fingerprint card is  
3 submitted to the office in paper form ~~officer~~. In addition to  
4 the fees prescribed in s. 215.405, the commission may  
5 prescribe by rule an additional fee, not to exceed \$30, for  
6 processing the fingerprints. The commission may prescribe by  
7 rule procedures for submitting fingerprints and fees by  
8 electronic means to the office or to a third party approved by  
9 the office. In order to implement the submission and  
10 processing of fingerprints as specified by rule under this  
11 section, the office may contract with a third party or another  
12 state agency that provides fingerprinting services. Such  
13 fingerprints must be submitted to the Department of Law  
14 Enforcement or the Federal Bureau of Investigation for state  
15 and federal processing. The commission may waive by rule the  
16 requirement that applicants file a set of fingerprints or the  
17 requirement that such fingerprints be processed by the  
18 Department of Law Enforcement or the Federal Bureau of  
19 Investigation.

20 (2) Each application for registration must be  
21 submitted under oath to the office on such forms as the  
22 commission prescribes by rule and must be accompanied by a  
23 nonrefundable application fee. The commission may establish by  
24 rule procedures for depositing fees and filing documents by  
25 electronic means. Such fee may not exceed \$500 for each  
26 payment instrument seller or funds transmitter and \$50 for  
27 each authorized vendor or location operating within this  
28 state. The application must contain ~~forms shall set forth~~ such  
29 information as the commission ~~reasonably~~ requires by rule,  
30 including, but not limited to:

31 (a) The name and address of the applicant, including

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1 any fictitious or trade names used by the applicant in the  
2 conduct of its business.

3 (b) The history of the applicant's material  
4 litigation, criminal convictions, pleas of nolo contendere,  
5 and cases of adjudication withheld.

6 (c) A description of the activities conducted by the  
7 applicant, the applicant's history of operations, and the  
8 business activities in which the applicant seeks to engage in  
9 this state.

10 ~~(d) A list identifying the applicant's proposed~~  
11 ~~authorized vendors in this state, including the location or~~  
12 ~~locations in this state at which the applicant and its~~  
13 ~~authorized vendors propose to conduct registered activities.~~

14 ~~(d)(e)~~ A sample authorized vendor contract, if  
15 applicable.

16 ~~(e)(f)~~ A sample form of payment instrument, if  
17 applicable.

18 ~~(f)(g)~~ The name and address of the clearing financial  
19 institution or financial institutions through which the  
20 applicant's payment instruments will be drawn or through which  
21 such payment instruments will be payable.

22 ~~(g)(h)~~ Documents revealing that the net worth and  
23 bonding requirements specified in s. 560.209 have been or will  
24 be fulfilled.

25 (3) Each application for registration by an applicant  
26 that is a corporation shall contain ~~also set forth~~ such  
27 information as the commission ~~reasonably~~ requires by rule,  
28 including, but not limited to:

29 (a) The date of the applicant's incorporation and  
30 state of incorporation.

31 (b) A certificate of good standing from the state or

1 country in which the applicant was incorporated.

2 (c) A description of the corporate structure of the  
3 applicant, including the identity of any parent or subsidiary  
4 of the applicant, and the disclosure of whether any parent or  
5 subsidiary is publicly traded on any stock exchange.

6 (d) The name, business and residence addresses, and  
7 employment history for the past 5 years for each executive  
8 officer, each director, each controlling shareholder, and the  
9 responsible person who will be in charge of all the  
10 applicant's business activities in this state.

11 (e) The history of material litigation and criminal  
12 convictions, pleas of nolo contendere, and cases of  
13 adjudication withheld for each ~~executive~~ officer, each  
14 director, each controlling shareholder, and the responsible  
15 person who will be in charge of the applicant's registered  
16 activities.

17 (f) Copies of the applicant's audited financial  
18 statements for the current year and, if available, for the  
19 immediately preceding 2-year period. In cases where the  
20 applicant is a wholly owned subsidiary of another corporation,  
21 the parent's consolidated audited financial statements may be  
22 submitted to satisfy this requirement. An applicant who is not  
23 required to file audited financial statements may satisfy this  
24 requirement by filing unaudited financial statements verified  
25 under penalty of perjury, as provided by the commission by  
26 rule.

27 (g) An applicant who is not required to file audited  
28 financial statements may file copies of the applicant's  
29 unconsolidated, unaudited financial statements for the current  
30 year and, if available, for the immediately preceding 2-year  
31 period.

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(h) If the applicant is a publicly traded company, copies of all filings made by the applicant with the United States Securities and Exchange Commission, or with a similar regulator in a country other than the United States, within the year preceding the date of filing of the application.

(4) Each application for registration submitted to the office by an applicant that is not a corporation shall contain ~~also set forth~~ such information as the commission ~~reasonably~~ requires by rule, including, but not limited to:

(a) Evidence that the applicant is registered to do business in this state.

(b) The name, business and residence addresses, personal financial statement, and employment history for the past 5 years for each individual having a controlling ownership interest in the applicant, and each responsible person who will be in charge of the applicant's registered activities.

(c) The history of material litigation and criminal convictions, pleas of nolo contendere, and cases of adjudication withheld for each individual having a controlling ownership interest in the applicant and each responsible person who will be in charge of the applicant's registered activities.

(d) Copies of the applicant's audited financial statements for the current year, and, if available, for the preceding 2 years. An applicant who is not required to file audited financial statements may satisfy this requirement by filing unaudited financial statements verified under penalty of perjury, as provided by the commission by rule.

(6) Changes in registration occasioned by changes in personnel of a partnership or in the principals, members,

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1 partners, officers, directors, controlling shareholders, or  
 2 responsible persons of a money transmitter or by changes of  
 3 any material fact or method of doing business shall be  
 4 reported by written amendment in such form and at such time as  
 5 the commission specifies by rule.

6 Section 45. Section 560.207, Florida Statutes, is  
 7 amended to read:

8 560.207 Renewal of registration; registration fee.--

9 (1) Registration may be renewed for a 24-month period  
 10 or the remainder of any such period without proration  
 11 following the date of its expiration by furnishing such  
 12 information as the commission requires by rule, together with  
 13 the payment of the fees required under subsections (2), (3),  
 14 and (4), upon the filing with the office of an application and  
 15 other statements and documents as may reasonably be required  
 16 of registrants by the commission. The commission may establish  
 17 by rule procedures for depositing fees and filing documents by  
 18 electronic means. However, the registrant must remain  
 19 qualified for such registration under the provisions of this  
 20 part.

21 (2) Each application for renewal of All registration  
 22 must renewal applications shall be accompanied by a  
 23 nonrefundable renewal fee not to exceed \$1,000. A registration  
 24 expires on April 30 of the year in which the existing  
 25 registration expires, unless the registrant has renewed its  
 26 registration on or before that date. All renewal applications  
 27 must be filed on or after January 1 of the year in which the  
 28 existing registration expires, but before the expiration date  
 29 of April 30. If the renewal application is filed prior to the  
 30 expiration date of an existing registration, no late fee shall  
 31 be paid in connection with such renewal application. If the

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1 ~~renewal application is filed within 60 calendar days after the~~  
 2 ~~expiration date of an existing registration, then, in addition~~  
 3 ~~to the \$1,000 renewal fee, the renewal application shall be~~  
 4 ~~accompanied by a nonrefundable late fee of \$500. If the~~  
 5 ~~registrant has not filed a renewal application within 60~~  
 6 ~~calendar days after the expiration date of an existing~~  
 7 ~~registration, a new application shall be filed with the office~~  
 8 ~~pursuant to s. 560.205.~~

9       (3) In addition to the renewal fee required under  
 10 subsection (2), each registrant must pay ~~Every registration~~  
 11 ~~renewal application shall also include~~ a 2-year nonrefundable  
 12 registration renewal fee of \$50 for each authorized vendor or  
 13 location operating within this state or, at the option of the  
 14 registrant, a total 2-year nonrefundable renewal fee of  
 15 \$20,000 may be paid to renew the registration of all such  
 16 locations currently registered at the time of renewal.

17       (4) A registration may be reinstated only if the  
 18 renewal fee and a nonrefundable late fee of \$500 are filed  
 19 within 60 calendar days after the expiration of the existing  
 20 registration. The office must grant a reinstatement of  
 21 registration for which application is filed during the 60  
 22 calendar days, and the reinstatement is effective upon receipt  
 23 of the required fees and any information that the commission  
 24 requires by rule. If the registrant has not filed application  
 25 for reinstatement of the registration within the 60 calendar  
 26 days after the expiration of an existing registration, the  
 27 registration expires, and a new application must be filed with  
 28 the office pursuant to s. 560.205.

29       Section 46. Subsection (1) of section 560.210, Florida  
 30 Statutes, is amended to read:

31       560.210 Permissible investments.--

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1           (1) A registrant shall at all times possess  
2 permissible investments with an aggregate market value  
3 calculated in accordance with United States generally accepted  
4 accounting principles of not less than the aggregate face  
5 amount of all outstanding funds transmissions ~~transmitted~~ and  
6 ~~outstanding~~ payment instruments issued or sold by the  
7 registrant or an authorized vendor in the United States.

8           Section 47. Subsection (2) of section 560.211, Florida  
9 Statutes, is amended to read:

10           560.211 Records.--

11           (2) The records required to be maintained by the code  
12 may be maintained by the registrant at any location, provided  
13 that the registrant notifies the office in writing of the  
14 location of the records in its application or otherwise by  
15 amendment as prescribed by the commission by rule. The  
16 registrant shall make such records available to the office for  
17 examination and investigation in this state, as permitted by  
18 the code, within 7 days after receipt of a written request.

19           Section 48. Section 560.305, Florida Statutes, is  
20 amended to read:

21           560.305 Application.--Each application for  
22 registration must ~~shall~~ be in writing and under oath to the  
23 office, in such form as the commission prescribes. The  
24 commission may establish by rule procedures for depositing  
25 fees and filing documents by electronic means. The application  
26 must contain such information as the commission requires by  
27 rule, including, but not limited to ~~shall include the~~  
28 ~~following~~:

29           (1) The legal name and residence and business  
30 addresses of the applicant if the applicant is a natural  
31 person, or, if the applicant is a partnership, association, or

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1 corporation, the name of every partner, officer, or director  
2 thereof.

3 (2) The location of the principal office of the  
4 applicant.

5 (3) The complete address of any other locations at  
6 which the applicant proposes to engage in such activities  
7 since the provisions of registration apply to each and every  
8 operating location of a registrant.

9 (4) Such other information as the commission or office  
10 reasonably requires with respect to the applicant or any money  
11 transmitter-affiliated party of the applicant; however, the  
12 commission or office may not require more information than is  
13 specified in part II.

14 Section 49. Subsections (1) and (4) of section  
15 560.306, Florida Statutes, are amended, and subsection (6) is  
16 added to that section, to read:

17 560.306 Standards.--

18 (1) In order to qualify for registration under this  
19 part, an applicant must demonstrate to the office that he or  
20 she has such character and general fitness as will command the  
21 confidence of the public and warrant the belief that the  
22 registered business will be operated lawfully and fairly. The  
23 office may investigate each applicant to ascertain whether the  
24 qualifications and requirements prescribed by this part have  
25 been met. The office's investigation may include a criminal  
26 background investigation of all controlling shareholders,  
27 principals, officers, directors, members, and responsible  
28 persons of a check casher and a foreign currency exchanger and  
29 all persons designated by a foreign currency exchanger or  
30 check casher as an authorized vendor. Each controlling  
31 shareholder, principal, officer, director, member, and

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1 responsible person of a check casher or foreign currency  
2 exchanger, unless the applicant is a publicly traded  
3 corporation as defined by the commission by rule ~~if the~~  
4 ~~fingerprint card is submitted to the office in paper form as~~  
5 ~~defined by the commission by rule~~, a subsidiary thereof, or a  
6 subsidiary of a bank or bank holding company organized and  
7 regulated under the laws of any state or the United States,  
8 shall file a complete set of fingerprints. A fingerprint card  
9 submitted to the office must be taken by an authorized law  
10 enforcement agency if the fingerprint card is submitted to the  
11 office in paper form ~~officer~~. In addition to the fees  
12 prescribed in s. 215.405, the commission may prescribe by rule  
13 an additional fee, not to exceed \$30, for processing the  
14 fingerprints. The commission may prescribe by rule procedures  
15 for submitting fingerprints and fees by electronic means to  
16 the office or to a third party approved by the office. In  
17 order to implement the submission and processing of  
18 fingerprints as specified by rule under this section, the  
19 office may contract with a third party or another state agency  
20 that provides fingerprinting services. Such fingerprints must  
21 be submitted to the Department of Law Enforcement or the  
22 Federal Bureau of Investigation for state and federal  
23 processing. The commission may waive by rule the requirement  
24 that applicants file a set of fingerprints or the requirement  
25 that such fingerprints be processed by the Department of Law  
26 Enforcement or the Federal Bureau of Investigation.

27 (4) Each registration application and renewal  
28 application must specify the location at which the applicant  
29 proposes to establish its principal place of business and any  
30 other location, including authorized vendors operating in this  
31 state. The registrant shall notify the office of any changes

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1 to any such locations. ~~Any registrant may satisfy this~~  
2 ~~requirement by providing the office with a list of such~~  
3 ~~locations, including all authorized vendors operating in this~~  
4 ~~state, not less than annually.~~ A registrant may not transact  
5 business as a check casher or a foreign currency exchanger  
6 except pursuant to the name under which it is registered.

7 (6) Changes in registration occasioned by changes in  
8 personnel of a partnership or in the principals, members,  
9 partners, officers, directors, controlling shareholders, or  
10 responsible persons of a money transmitter or by changes of  
11 any material fact or method of doing business shall be  
12 reported by written amendment in such form and at such time as  
13 the commission specifies by rule.

14 Section 50. Section 560.308, Florida Statutes, is  
15 amended to read:

16 560.308 Registration terms; renewal; renewal fees.--

17 (1) Registration may be renewed for a 24-month period  
18 or the remainder of any such period without proration  
19 following the date of its expiration, by furnishing such  
20 information as the commission requires by rule, together with  
21 the payment of the fees required under subsections (2), (3),  
22 and (4). The commission may establish by rule procedures for  
23 depositing fees and filing documents by electronic means.

24 ~~Registration pursuant to this part shall remain effective~~  
25 ~~through the remainder of the second calendar year following~~  
26 ~~its date of issuance unless during such calendar year the~~  
27 ~~registration is surrendered, suspended, or revoked.~~

28 (2) Each application for renewal of registration must  
29 be accompanied by ~~The office shall renew registration upon~~  
30 ~~receipt of a completed renewal form and payment of a~~  
31 ~~nonrefundable renewal fee not to exceed \$500.~~ The registration

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1 expires on December 31 of the year in which the existing  
2 registration expires, unless the registrant has renewed its  
3 registration on or before that date. ~~The completed renewal~~  
4 ~~form and payment of the renewal fee shall occur on or after~~  
5 ~~June 1 of the year in which the existing registration expires.~~

6 (3) In addition to the renewal fee required by  
7 subsection (2), each registrant must pay a 2-year  
8 nonrefundable registration renewal fee of \$50 for each  
9 authorized vendor or location operating within this state or,  
10 at the option of the registrant, a total 2-year nonrefundable  
11 renewal fee of \$20,000 may be paid to renew the registration  
12 of all such locations currently registered at the time of  
13 renewal.

14 (4) ~~Registration that is not renewed on or before the~~  
15 ~~expiration date of the registration period automatically~~  
16 ~~expires.~~ A renewal ~~application and fee,~~ and a nonrefundable  
17 late fee of \$250~~7~~ must be filed within 60 calendar days after  
18 the expiration of an existing registration in order for the  
19 registration to be reinstated. The office must grant a  
20 reinstatement of registration for which application is filed  
21 during the 60 calendar days, and the reinstatement is  
22 effective upon receipt of the required fees and any  
23 information that the commission requires by rule. If the  
24 registrant has not filed an a renewal application for  
25 reinstatement within 60 calendar days after the expiration  
26 date of an existing registration, the registration expires and  
27 a new application must be filed with the office pursuant to s.  
28 560.307.

29 Section 51. Subsection (2) of section 560.310, Florida  
30 Statutes, is amended to read:

31 560.310 Records of check cashers and foreign currency

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1 | exchangers.--

2 |       (2) The records required to be maintained by the code  
3 | may be maintained by the registrant at any location, provided  
4 | that the registrant notifies the office, in writing, of the  
5 | location of the records in its application or otherwise by  
6 | amendment as prescribed by the commission by rule. The  
7 | registrant shall make such records available to the office for  
8 | examination and investigation in this state, as permitted by  
9 | the code, within 7 days after receipt of a written request.

10 |       Section 52. Subsections (2) and (4) of section  
11 | 560.403, Florida Statutes, are amended to read:

12 |       560.403 Requirements of registration; declaration of  
13 | intent.--

14 |       (2) A registrant under this part shall renew his or  
15 | her intent to engage in the business of deferred presentment  
16 | transactions or to act as a deferred presentment provider upon  
17 | renewing his or her registration under part II or part III and  
18 | shall do so by indicating his or her intent ~~on the renewal~~  
19 | ~~form and~~ by submitting a nonrefundable deferred presentment  
20 | provider renewal fee of \$1,000, in addition to any fees  
21 | required for renewal of registration under part II or part  
22 | III.

23 |       (4) The notice of intent of a registrant under this  
24 | part who fails to timely renew his or her intent to engage in  
25 | the business of deferred presentment transactions or to act as  
26 | a deferred presentment provider on or before the expiration  
27 | date of the registration period automatically expires. A  
28 | renewal ~~declaration of intent and fee,~~ and a nonrefundable  
29 | late fee of \$500~~7~~ must be filed within 60 calendar days after  
30 | the expiration of an existing registration in order for the  
31 | declaration of intent to be reinstated. The office must grant

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1 a reinstatement of a notice of intent for which application is  
2 filed during the 60 calendar days, and the reinstatement is  
3 effective upon receipt of the required fees and any  
4 information that the commission requires by rule. If the  
5 registrant has not filed a reinstatement of a renewal  
6 declaration of intent within 60 calendar days after the  
7 expiration date of an existing registration, the notice of  
8 intent expires and a new declaration of intent must be filed  
9 with the office.

10           Section 53. This act shall take effect October 1,  
11 2005.

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